Ontario

Report of the Interministerial Committee on Visiting Homemaker Services

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Ontario Home Health Care Providers Association
Ontario Women's Directorate
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Ontario Municipal Social Services Association
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EXECUTIVE SUMMARY

The Interministerial Committee on Visiting Homemaker Services was established by the Ministry of Community and Social Services (MCSS) in January 1987 to respond to critical issues which were threatening the ability of the not-for-profit sector to provide homemaker services. The mandate of the Committee was to ensure the ongoing viability of the not-for-profit Visiting Homemaker Services system.

Homemaking services represent one of the key programs in operation that is helping to maintain people in their communities. Services are provided for clients who are: elderly; physically disabled; chronically ill; acutely ill; children and families.

While homemaking services are widely available across the province, the major barrier to receipt of service is the lack of available homemakers. Services are primarily provided by not-for-profit and commercial agencies. The legislative authority for the provision of visiting homemaker services is the Homemakers and Nurses Services Act.

The effect of pressures on the system was beginning to show in the shortage of available trained homemakers across the province. This shortage was of particular concern as it came at a time when programming for elderly and disabled persons was emphasizing expansion of community support through provision of in-home services.

Four key areas were identified to be addressed by the Committee:

(1) Training programs and resources for homemaking
(2) Low wages paid to homemakers
(3) Annual agency rate setting process
(4) Homemaker agency rate structure

A non-governmental Advisory Group was established concurrently to ensure that the interests of key stakeholders were adequately represented throughout the process. Other key parties were consulted on the Committee's draft recommendations.

Members from both the Interministerial Committee and Advisory Group jointly formed three sub-committees which were responsible for the review of the four areas of concern. One sub-committee had responsibility for both the rate structure and rate setting process issues.

Consulting firms were hired by each group to conduct reviews of each issue and provide strategic directions for dealing with the problems identified. Their reports were submitted to the Interministerial Committee in July 1987 and have been used as the basis for the committee's deliberations.

Training

A consulting firm provided an overview of current training programs and resources in Ontario and other provinces; identified current and future training needs and costs associated with training; and presented options and recommendations for obtaining long-term funding for training.

The consultant's estimates of current and future training needs and costs confirm the seriousness of the situation, for example:

- in 1988-89 the number of homemakers required ranges from a low of 5975 to a high of 7110 with net increases of 543 and 1184, respectively.

- in 1988-89 the number of new homemakers needed to meet both turnover and new growth ranges from a low of 1738 to a high of 4739.

- the costs of training ranges from a low of $1.9 million in this fiscal year to a high of approximately $8.1 million in 1990-91 in 1986 constant dollars.

However, while provincial training costs will be high in the short-term, it is anticipated that by increasing the attractiveness of the occupation e.g., better wages and working conditions, staff turnover rates will drop significantly thus reducing the demand for training.

The Committee concluded that the nature of the tasks performed by homemakers and the environment in which they work i.e., alone in the homes of extremely vulnerable persons, demands that adequate training be provided. Thus, it recommends that there be a requirement for homemakers to be trained to a Provincial standard.

It recommends that a time-limited task force be established to deal with issues such as phasing-in, availability of training, equivalencies in

terms of experience and other types of training, guidelines, standards and content of training courses, and implications of certification.

The second conclusion drawn by the Committee was that the low status/low value placed on the homemaker occupation means that agencies and their funders must be prepared to ensure that appropriate training occurs. While attempts should continue towards accessing Federal training funding, the reality is that the purchasers of homemaking will need to support the bulk of training over the next few years.

It is also important that the funding allow homemakers to continue to receive the same wages while they are being trained. It is anticipated that as the homemaker occupation receives improved recognition and remuneration, prospective homemakers will pay for their own training.

Wages

In recent years it has become increasingly difficult for homemaker agencies to recruit and maintain adequate numbers of homemakers to meet the demand for service. This problem has been attributed primarily to the low wages agencies paid due to the low hourly rates they received for providing homemaker services.

Consultants were retained to determine a fair compensation level for homemakers and recommend a strategy for implementing and maintaining it. The consultants surveyed and/or interviewed both homemakers and homemaker provider agencies.

Their review found that pay was generally found to be low ($5.25/hr. average) and few benefits were provided. Although travel is a requirement of the job, few agencies paid for travel time between cases. Turnover rates were high with over 40% of the agencies reporting homemaker terminations exceeding 50% of their total workforce.

In order to determine a fair value for the work done by homemakers, the consultants designed a framework for comparing homemakers to other similar occupations. It is clear that there is considerable variation in the wages paid for similar jobs.

The homemaker and similar positions in homemaking agencies are undervalued relative to other positions in the same organizations and

to similar positions in non-homemaking organizations. The picture of the total compensation of the homemaking job is made even worse by the fact that the position is afforded few benefits as compared with some other positions often within the same organization.

Most of the important concerns of the Interministerial Committee were borne out in the consultant's study. The main conclusion arrived at by the Committee was that increasing homemakers' wages is the single most important factor in ensuring the ongoing viability of the visiting homemaking system. The inability of agencies to recruit enough homemakers has meant an inability to provide much needed services to elderly and disabled persons in the community. The only alternative for many of these people is institutionalization which carries with it high personal and financial costs.

While the nature of the occupation has contributed to its low value, it is clear that the low rates historically paid by purchasers of homemaking have served to artificially suppress wages. Thus, it is viewed by the Committee as being the purchasers' responsibility to intervene to raise wages to an approximate market value as determined by the wage comparison study (at least $7.00 per hour plus 20% benefits, agency scale and regional variations). Over time, labour market forces will work to adjust the wages if given flexibility in the rate. In order to have this flexibility and ensure the durability of reforms to the system, the Committee recommends that the wages and benefits portion of the rate be excluded from annual Provincial restraint guidelines for the next five years.

The Committee recommends that the Ontario Association of Visiting Homemaker Services (OAVHS) submit a proposal, based on a wage study, for overall wage adjustments at the beginning of each years' rate negotiation process.

The Committee recommends that following the first year's base wage increase, annual guidelines for the local rate negotiations specify that homemakers' wages and benefits be no less than a minimum percentage of the hourly rate. This minimum proportion of the rate will vary from year to year and will protect the homemakers' wages and benefits from continuing encroachment by other costs of delivering service.

In addition to improving wages, the Committee strongly recommends that in order to improve the attractiveness of the occupation, homemakers receive the benefits and employment standards protection

accorded most workers. Benefits, or cash in lieu of benefits, should be no less than 20% of homemakers' wages.

Rates

Agencies providing homemaking services are funded on an hourly fee for service rate. Services can be purchased by the Ministry of Health's local Home Care Programs, by local municipalities or by private pay clients.

Where purchase of service is through the Home Care Program, either the Ministry of Health pays 100% of the cost in cases where health care services are also provided in the home, or the Ministry of Community and Social Services pays 100% of the cost where service is provided to frail elderly or adult physically disabled persons through the Integrated Homemaker Program (IHP). Homemaking services are also purchased by municipalities where it is a discretionary, needs-tested program cost-shared 80% by MCSS.

The hourly rate is supposed to cover not only the homemaker wages but all other costs associated with the delivery of homemaker services. In recent years, a low rate has served to keep wages low as well as place agencies in financial jeopardy.

At the present time, the smallest purchaser "negotiates" the rate with service providers, and the next smallest purchaser approves the rate, while the largest purchaser by far is excluded from both the rate negotiation and rate approval procedures.

A consulting firm was hired to conduct a review of both the rate setting process and the rate structure. A province-wide sample of sites was carefully selected to reflect key variables which were pertinent to the analysis of rate setting process information.

Because rate increases have been held over the past few years to 3-4% by Provincial restraint guidelines, the practice has been developed by most homemaker agencies of simply increasing the total budget by 3-4% over the previous year, and reflecting this increase up through the budgetary items. Little or no effort is made to reflect, in the budget, the true needs of either the client or the organization. This is the most significant factor of the rate setting which is linked to the chronic shortage of homemakers due to low wages.

The model that is recommended by the Committee places responsibilities for the rate negotiation process at both the corporate and local levels of provincial government. While responsibility for setting the annual rate structure guidelines would remain at the corporate level, the review of agency rate proposals and developing the rates would take place at the local level. As the viability of the homemaker system is secured over time, the corporate role would be reduced.

In the model recommended by the Committee, there is a Joint MCSS/MOH Committee with the responsibilities of developing, maintaining and monitoring the annual agency rate negotiation process.

At the local level, the MCSS Area Office would be responsible for co-ordinating local functions and negotiating the local rate. The MCSS Area Office would meet with the local Home Care to determine which not-for-profit agency was to be negotiated with as determined by volume of Home Care service in the preceding year.

The MCSS Area Office would invite other local administering bodies which purchase homemaking to discuss issues to be considered during the rate negotiation between the Area Office and the local not-for-profit agency.

Rate proposals following standardized provincial guidelines, would be developed by the major local not-for-profit homemaker agency within each Home Care area and negotiated with the MCSS Area Office.

Once the MCSS Area Office had arrived at a rate, it would be confirmed with the Ministry of Health Home Care Co-ordinator. Once confirmed with the Home Care Co-ordinator, the MCSS Area Office would approve the rate and be responsible for informing all parties of the new local rate. This rate would have to be followed by all publicly funded purchasers of homemaking i.e., a lower rate could not be paid.

Once the new rate had been established, all agencies wanting to provide government-funded homemaking would submit a service proposal. The service proposals would be based on the new rate and be prepared under the same standardized provincial guidelines and service volume assumptions used by the agency involved directly in the rate negotiation process described earlier. Service proposals would be submitted to the local major purchaser(s) of homemaking e.g., the local Home Care, Municipality, Local Authority, Indian Band which would award one-year service contracts with one or more provider agencies.

Accompanying the service proposals would be the agency training plan with an accompanying budget, and evidence of having met the rate structure guidelines for the preceding year.

Rate Structure

A rate structure addresses the specific costs of service delivery covered by the hourly rate paid to homemaker agencies. Over recent years, inadequate rates have failed to cover these costs, increasingly affecting agencies' ability to deliver homemaker services and/or obtain service contracts.

In the selection of a rate structure model by the Committee, emphasis was given to one important feature: the selection of components to be included should demonstrate a commitment to homemaker services as a whole. As such, the Committee recommends an inclusive rate structure which covers the following:

- Homemaker Recruitment
- Homemaker Training
- Homemaker Wages and Benefits
- Supervision/Coordination
- Administration
- Overhead
- Corporate/Association Contributions

A major cost that is not included in the rate is homemakers' travel time between cases and transportation costs. The Committee recommends that the actual costs of travel time between cases (i.e., the homemaker's wages and benefits) plus transportation (i.e., mileage, bus fare) be charged to the purchaser of service.

The Committee recommends purchasers use a single rate which does not distinguish between services that are predominantly oriented to personal care and those which require predominantly household activities. However, while there would be no special rate for services requiring special skills (beyond those now identified as basic homemaking activities) or a special capacity to cope with difficult clients or unusually stressful situations, it is expected that the wages of individual homemakers would reflect specialized skills obtained through experience or training.

Implementation

The committee has not developed a plan but has identified some of the issues which will need to be addressed by the implementation planning team once the Ministries of Health and Community and Social Services have responded to this report. Some of these issues include:

- Establishment of a training task force
- Development of standards and first year funding for the OAVHS to prepare a wage adjustment proposal and documentation
- Establishment of the Joint Ministerial Committee
- Design of the rate negotiation process
- Development of a monitoring and evaluation system
- Review implementation with respect to homemaker services on Indian Reserves
- Development of standards and guidelines for the Homemakers and Nurses Services and Integrated Homemaker programs.

I. INTRODUCTION

A. Purpose and Structure of the Interministerial Committee

The Interministerial Committee on Visiting Homemaker Services was established by the Ministry of Community and Social Services (MCSS) in January 1987 to respond to critical issues which were threatening the ability of the not-for-profit sector to provide homemaker services. The mandate of the Committee was:

> To ensure the ongoing viability of the not-for-profit Visiting Homemaker Services System. [1]

It is in the public's interest to have the not-for-profit sector at the core of the homemaking system because they have consistently shown leadership in initiating the development of services and standards. While the critical need for service demands that high quality homemaking be purchased wherever available, it is advantageous to purchase not-for-profit services under the cost-sharing agreement with the Federal government. Maximizing cost-sharing thus eases the financial burden on the Provincial government in maintaining and expanding homemaking services. A further advantage is that not-for-profit agencies have the capability, via the use of charitable funding, to subsidize private pay clients whose service needs are not covered by publicly-funded programs.

The effect of pressures on the system was beginning to show in the shortage of available trained homemakers across the province. This

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1. See Appendix 1 for the full terms of reference for the committee.

shortage was of particular concern as it came at a time when programming for elderly and disabled persons was being directed at the expansion of community support through provision of in-home services. Of immediate concern was the recent launching of the Integrated Homemaker Program which was expected to significantly increase the demand for homemaker services.

Four key areas were identified to be addressed by the Committee:

(1) Training programs and resources for homemaking
(2) Low wages paid to homemakers
(3) Annual agency rate setting process
(4) Homemaker agency rate structure

The Committee was chaired and staffed by the Community Programs Unit of the Elderly Services Branch of MCSS. Other MCSS participation included representatives from Operational Co-ordination, Financial Planning and Corporate Analysis, Human Resources, Legal Services and an Area Office. Other Ministries represented were: The Ministry of Health, Ministry of Skills Development, Ministry of Colleges and Universities, and the Office for Senior Citizen's Affairs.

A non-governmental Advisory Group was established concurrently to ensure that the interests of key stakeholders were adequately represented throughout the process.[2] Members from the following comprised the group: The Canadian Red Cross, Ontario Division

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2. While the commercial sector has recently expanded within homemaking, the focus of the committee was on the survival and expansion of the not-for-profit sector. The commercial sector was, however, involved in the consultation process.

(representing 45 Homemaking Branches across the province); Ontario Association of Visiting Homemakers Services (OAVHS); Association of Ontario Home Care Associates (AOHCA); Ontario Municipal Social Services Association (OMSSA).

Members from both the Interministerial Committee and Advisory Group jointly formed three sub-committees which were responsible for the review of the four areas of concern. One sub-committee had responsibility for both the rate structure and rate setting process issues. Consulting firms were hired by each group to conduct reviews of each issue and provide strategic directions for dealing with the problems identified. Their reports were submitted to the Interministerial Committee in July 1987 and have been used as the basis for the committee's deliberations.[3]

In drafting its recommendations, the Interministerial Committee used an extensive list of criteria with which to assess the validity of what it was proposing. The criteria used are as follows for each recommendation:

- it will prevent recurrence of the same problem(s)
- it meets current and anticipated public policy directions
- it will be durable
- it is consistent with a standard of quality service to clients
- it is relatively affordable
- it reflects fairness and equity to the homemaker
- it can be implemented in a timely and consistent fashion

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3. Copies of these reports are available upon request from the Elderly Services Branch.

- o it can be monitored and assessed for success over time
- o it promotes good performance on the part of the service provider
- o it fairly reflects the responsibilities of all those involved

B. Background

Homemaking services represent one of the key programs in operation that is helping to maintain people in their communities. Services are provided for clients who are:

- o elderly
- o physically disabled
- o chronically ill
- o acutely ill
- o children and families.

Two important services provided by this program which receive little attention are (1) respite provided to primary caregivers and (2) palliative care.

While homemaking services are widely available across the province, the major barrier to receipt of service is the lack of available homemakers. Services are primarily provided by not-for-profit and commercial agencies. Within the not-for-profit sector, the major provider is The Canadian Red Cross Society, Ontario Division which employs over 4,000 homemakers.

The legislative authority for the provision of visiting homemaker services is the Homemakers and Nurses Services Act. Under the Regulations to this Act, homemaking services include:

i. the care of a child or children,

ii. meal planning, marketing and the preparation of nourishing meals, and the preparation of special diets where required.

iii. light, heavy and seasonal cleaning,

iv. light laundry, ironing and essential mending of clothing,

v. personal care, including assistance in walking, climbing or descending stairs, getting into or out of bed, eating, dressing, bathing and other matters of personal hygiene,

vi. simple bedside care, where required, under the direction of a physician or nurse, but not including nursing services, and

vii. training and instruction in household management and the care of children.

Agencies providing homemaking services are funded on an hourly fee for service rate. Services can be purchased by the Ministry of Health's local Home Care Programs, by local municipalities or by private pay clients.

Where purchase of service is through the Home Care Program, either the Ministry of Health pays 100% of the cost in cases where health care services are also provided in the home, or the Ministry of Community and Social Services pays 100% of the cost where service is provided to frail elderly or adult physically disabled persons through the Integrated Homemaker Program (IHP). Homemaking services are also purchased by municipalities where it is a discretionary, needs-tested program cost-shared 80% by MCSS. The costs to government of purchasing homemaking services in recent years and projected until 1991 are shown in Table 1.1.

It is anticipated that Homemakers and Nurses Services program costs in constant terms will decline slightly over the next five years based

on both the historical trends and the growth in the Integrated Homemaker Program which will have a moderate substitution effect. Homemaking services in both the Home Care and the Integrated Homemaker programs on the other hand, are expected to grow considerably. The Integrated Homemaker Program is anticipated to grow significantly because it is not tied to health care, not needs-tested and is funded 100% by MCSS.

Table 1.1 Projected Costs of Purchasing Homemaking Services 1985-86 TO 1990-91 in Constant $ Million

	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Homemakers and Nurses Services[1]	12.5	12.1	11.8	11.4	11.1	10.7
Home Care[2]	32.8	38.1	42.8	48.2	54.2	61.0
Integrated Home-maker Program[3]	n/a	5.4	17.9	58.1	63.7	70.0
TOTAL:	**45.3**	**55.6**	**72.5**	**117.7**	**129.0**	**141.7**

[1]HNS growth reflects a historical average for years 1985-86 to 1987-88 but declining growth thereafter resulting from growth in IHP.

[2]Home Care growth is based on historical trends in normal years of 12.5%.

[3]IHP growth is based on estimated expenditures assuming pure homemaking costs at 70% of total program costs.

Overall expenditures for homemakers services are expected to grow by an average of 25% annually for the next four years[4]. While there is not a perfect correlation between the increase in expenditures and the required increase in the number of homemakers, the relationship is quite strong and is suggestive of an annual growth rate in the required number of homemakers of approximately 20%.

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4. Any acceleration of the IHP implementation plan will significantly increase this growth rate over the next 2-3 years.

II. TRAINING

A. Background

Under the Regulations to the Homemakers and Nurses Services Act, a person who is qualified by training or experience can perform homemaking services. In the early 1970's, homemaker training was the sole responsibility of individual agencies and was most often delivered in-house. During this period, many agencies developed training packages or modules for differing aspects of the job. In 1976, the Home Support Training Program was developed initially as a two week program and was later extended to three weeks.

In 1983, the Ministry of Colleges and Universities approved a standardized four-week community college course, Home Support Level II. Level III, also a four-week course, covers functions related to more complex levels of personal care. As a prerequisite for entry into the Level II course, prospective trainees must have completed Home Support Level 1, or 120 hours of work as an agency employee. Level 1 is essentially a job orientation period during which the employer measures the personal suitability of the individual for the work, while employees decide on their interest in pursuing this occupation. While receiving training in Home Support Level II and III, participants are paid a per diem allowance which is usually less than their working income. This anomalous situation of subsidized training for existing employees reflects the low status and poor wages of this occupation.

Over the period 1976 to 1985, the Canada Employment and Immigration Commission (CEIC) supported the training of homemakers through course purchases from community colleges under the National Training

Act and through the payment of training allowances or unemployment insurance benefits to the trainees. Later in this period, agreement was reached whereby CEIC supported full-time training, while MCSS supported part-time training. The identification of specific training needs to be met and of the community college to be attended was left to the agencies involved. This practice has resulted in wide discrepancies across the province in agencies' abilities to access training seats.

With the introduction of the Canadian Jobs Strategy (CJS) in 1986, CEIC noted that this type of training no longer qualified given the criteria of the different program elements of CJS, and that continued support was contingent on a ministerial exemption. This exemption was granted for the transition year 1986-87, but effective April 1987 this direct purchase support was withdrawn. It is thought that this source of funding was withdrawn in part because the low wages associated with the occupation made it undesirable in terms of the federal employment training strategy.

This decision effectively threatened to eliminate more than one half of the number of homemaker training seats which have been available each year for the past three years. CEIC sponsored courses have permitted some 450 to 490 homemakers to receive full-time training each year between 1984/85 and 1986/87. MCSS support has grown over this period from about 200 trainees (mainly part-time) in 1984-85 to about 400 a year for the two following years. Thus, the full impact of the withdrawal of federal training funds has left MCSS with the primary responsibility for homemaker training given that no other purchasers of homemaking services contribute to training. The current base Homemakers and Nurses Services budgets allotted to the

Ministry's Area Offices are too low to meet this unusual increase in demand.

This problem assumes even greater prominence given that the current level of training is unable to meet the needs of these agencies to begin with as a result of high staff turnover rates related to the low wages paid this occupation. As well, since January 1986 when MCSS announced the Integrated Homemaker Program, it has effectively meant doubling the number of homemakers needed in some of the initial communities. This increased demand for service will continue to spread as the program is extended throughout the province, resulting in similar increases to the need for training places. The extent to which the requirement for training is not met will increase the risks associated with sending untrained homemakers into the homes of highly vulnerable people.

B. **Review**

The purpose of the homemaker training working group was (1) to develop and implement a strategy for obtaining funding for homemaker training in the short-term, and (2) to develop a plan for securing training funds in the long-term, reviewing training guidelines, standards and curriculum and, developing a definition of a trained homemaker.

The management consulting firm of E.E. Hobbs and Associates was retained to conduct a review of homemaker training resources. They provided an overview of current training programs and resources in Ontario and other provinces; identified current and future training

needs and costs associated with training; and presented options and recommendations for obtaining long-term funding for training.

Their review identified the following major weaknesses in the current training system:

- o No current training programs, nor combination of programs, can provide consistent and adequate funding to meet homemaker training needs in the province.

- o The level of training available is insufficient to meet existing, not to mention future, agency requirements for trained homemakers, resulting in the continuing acute shortage of trained workers.

- o There is a lack of consistent and readily available labour supply and labour demand information for the industry resulting in difficulty in identifying ongoing training requirements.

- o The wages paid to homemakers are too low to attract sufficient numbers of new workers and to retain trained workers. Turnover rates consequently are very high resulting in the continuing need to train new workers.

- o The per diems available from MCSS are insufficient to defray the cost of lost wages while on training. This lost wages problem is compounded by the elimination of training allowances and the absence of wage subsidies under other programs. The combined effect of these two factors makes training more costly and less attractive to homemakers than it has been in past years.

In addition to providing a clear picture of the current status of homemaker training programs, the consultant's estimates of current and future training needs and costs confirm the seriousness of the situation: The parameters for these estimates were determined by a range of characteristics with respect to existing programs, the client groups they serve and future changes anticipated for the programs. In particular, they include the historical growth in elderly population, and proposed changes in program criteria and related expenditures.

Table 2.1 sets out the projected growth in the numbers of homemakers required to meet projected demand and the increased availability of services. These are set out under assumptions of rates of growth of 10, 15 and 20 percent representing at the low end the historical growth in the number of homemakers and at the high end the implications of the growth in the projected expenditures for the provision of services. Thus, for example, in 1988-89 the number of homemakers required ranges from a low of 5975 to a high of 7110 with net increases of 543 and 1184, respectively.

While the limitations in these data do not permit the generation of mathematically precise parameters, in particular, the forecast of precise growth rates in the numbers of homemakers and related training requirements, they do permit the definition of reasonable upper and lower limits to this growth. Thus, the projections set out below are upper, mid-level and lower estimates selected from within the range defined by these limits.

Table 2.1 Projected Growth in the Number of Homemakers 1986-87 to 1990-91

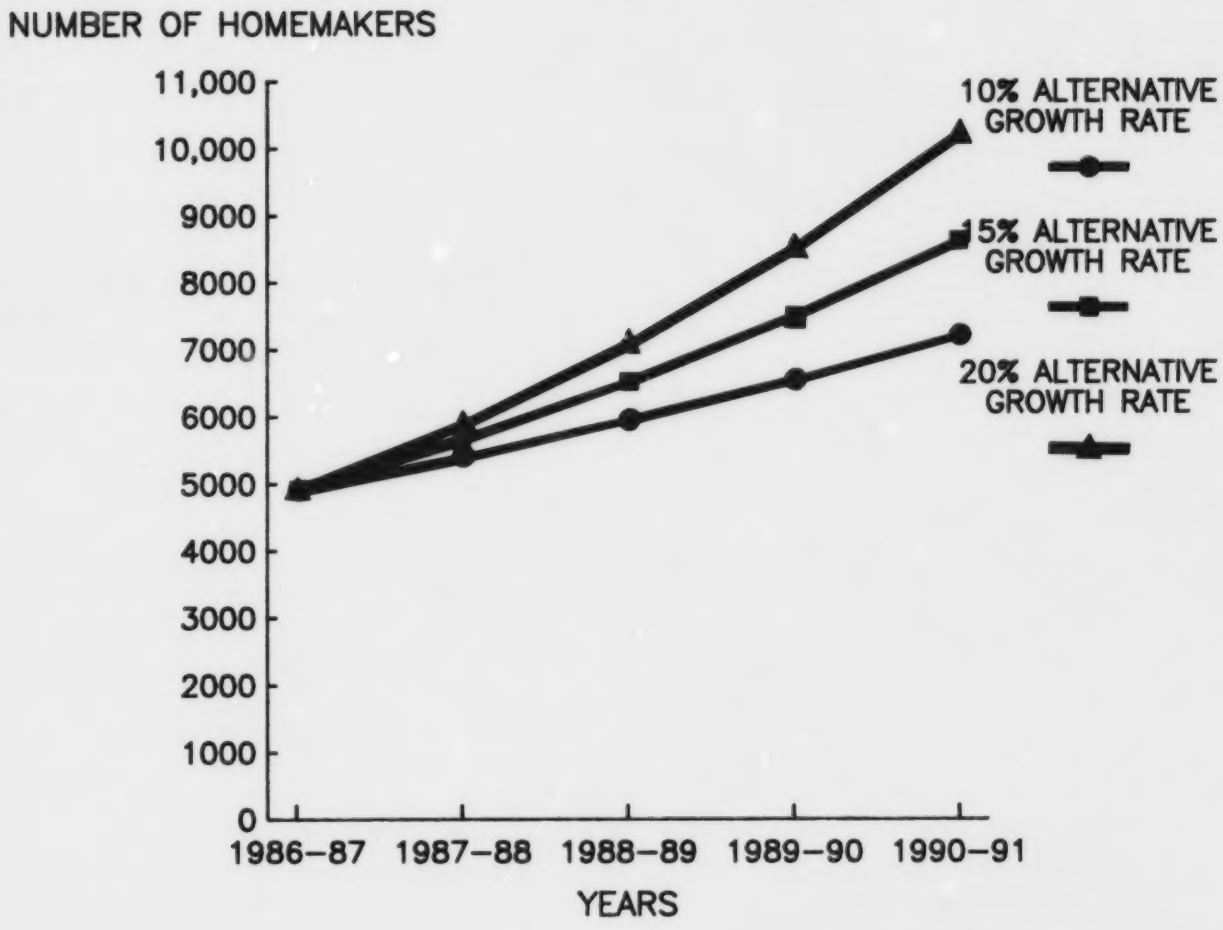
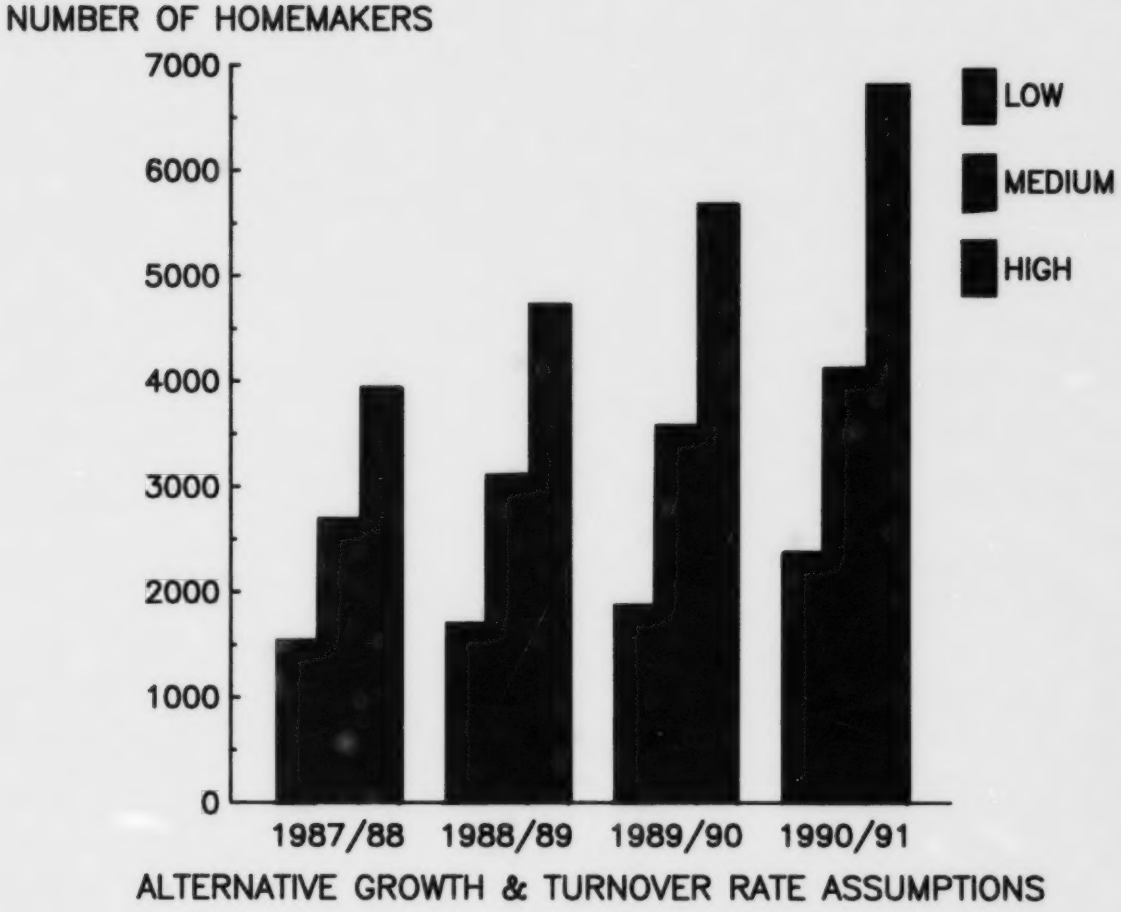


Table 2.2 provides estimates of the numbers of homemakers requiring training based on the assumption that all new homemakers will need to be trained.

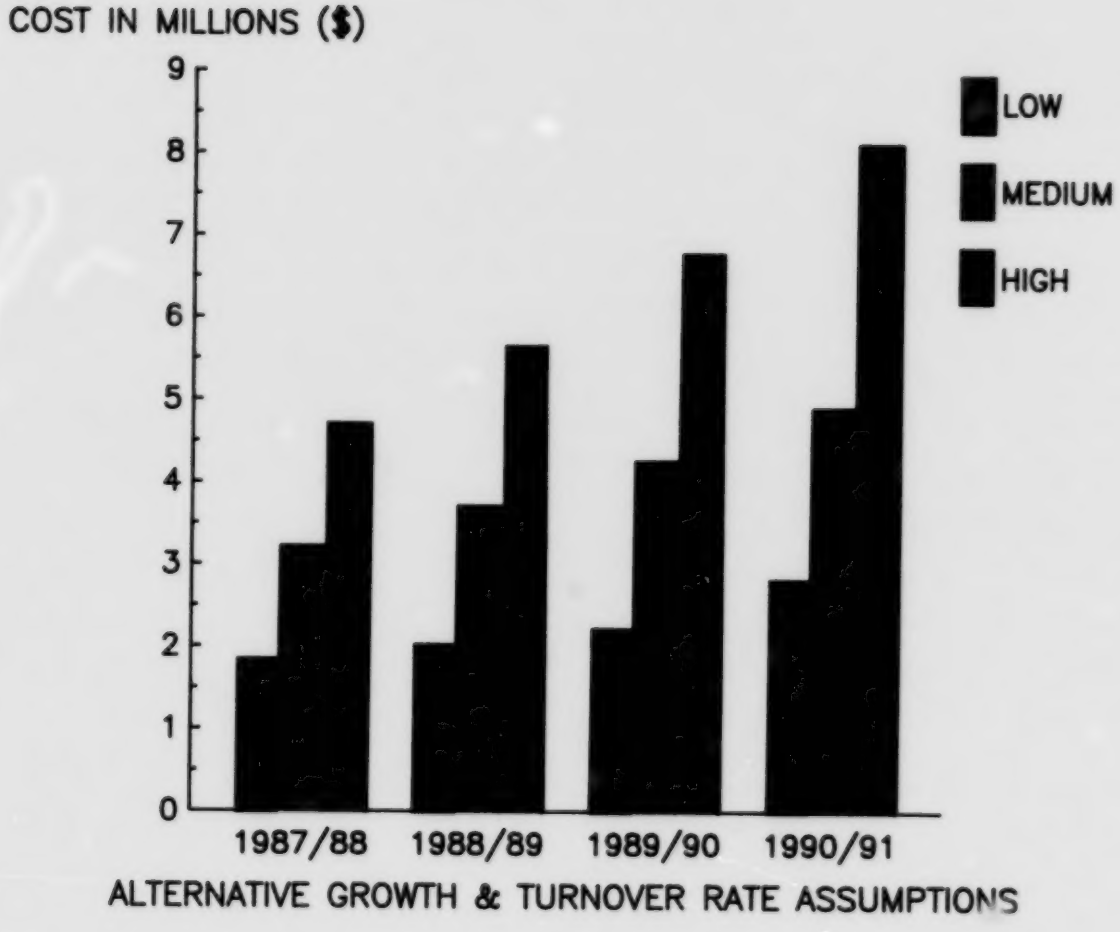
Table 2.2 Projected Number of Homemakers Requiring Training Under Alternative Growth and Turnover Rate Assumptions



These figures constitute the very low end, the middle and the very high end of the turnover and growth ranges estimated. Thus, for example, in 1988-89 the number of new homemakers needed to meet both turnover and new growth ranges from a low of 1738 to a high of 4739. These are the projected number of homemakers who will require training in the specified year.

Table 2.3 sets out the cost of training the numbers of homemakers identified in Table 2.2. These were determined on the basis of average training cost of $1190 per trainee utilizing 1986 figures. It is very important to note that these are the direct training costs and per diem allowances (based on the 1986 minimum wage) but they do not include travel or other allowances which have previously been available but for which data were not readily available.

Table 2.3 Projected Homemaker Training Costs Under Alternative Assumptions



The costs of training ranges from a low of $1.9 million in this fiscal year to a high of approximately $8.1 million in 1990-91 in 1986 constant dollars.

To the extent that wages for homemakers increase, as recommended, these estimates based on current per diems will be substantially understated. However, while provincial training costs will be high in the short-term, it is anticipated that by increasing the attractiveness of the occupation e.g., better wages and working conditions, staff turnover rates will drop significantly thus reducing the demand for training. Ultimately, homemaker training should be offered as a fee-paying community college course and the role of homemaker provider agencies should be restricted to one of providing in-service training only.

C. Conclusions

The training review pointed the Committee toward two major conclusions: (1) the nature of the tasks performed by homemakers and the environment in which they work i.e., alone in the homes of extremely vulnerable persons, demands that adequate training be provided, and (2) the low status/low value placed on the homemaker occupation means that agencies and their funders must be prepared to ensure that appropriate training occurs.

To address the first of these conclusions, the Committee recommends that the Regulations to the Homemakers and Nurses Services Act be amended to reflect that only persons with training at the Home Support Level II or its equivalent be allowed to perform the duties of a homemaker. This recommendation is given a high priority by the

Committee in order to avoid placing any clients at risk due to inadequate training of homemakers. As well, the wage study cited later indicates that a training requirement would increase the market value of the homemaker occupation.

The Committee recognizes that implementation of this training requirement needs careful planning around such issues as phasing-in, availability of training, equivalencies in terms of experience and other types of training, guidelines, standards and content of training courses, and implications of certification. It recommends that a time-limited task force be established to deal with issues such as these. The task force should consist of representatives from relevant Ministries, other purchasing bodies, homemaker provider agencies and associations, and any other groups or individuals with an interest in homemaker training.

The second conclusion drawn by the committee refers to the need for funders of homemaking to ensure that homemaker training occurs. While attempts should continue towards accessing Federal training funding, the reality is that the purchasers of homemaking will need to support the bulk of training over the next few years. Much of this cost will be covered in the revised agency rate structure, however, supplemental grants will be necessary until training needs stabilize. Agencies would be responsible for anticipating their annual training needs and submitting these along with a budget to the MCSS Area Office. In areas with several agencies, the agencies should develop a co-ordinated plan for meeting their training needs.

It is important that the funding allow homemakers to continue to receive the same wages while they are being trained as it would not be fair to penalize these low paid workers for taking training. It is anticipated that as the homemaker occupation receives improved recognition and remuneration, prospective homemakers will pay for their own training. Thus, the funding requirements for training are seen to be high over the next few years but will diminish as better wages lead to much lower turnover rates and people become willing to get trained prior to being hired by an agency.

D. TRAINING RECOMMENDATIONS

1. *THAT THERE BE A PHASED-IN REQUIREMENT FOR ALL HOMEMAKERS TO BE TRAINED AT THE HOME SUPPORT LEVEL II OR AN EQUIVALENT TO BE DEFINED BY THE TASK FORCE ON TRAINING.*

2. *THAT WHILE BEING TRAINED, HOMEMAKERS RECEIVE THEIR REGULAR HOURLY WAGE FOR THE HOURS THEY SPEND IN TRAINING.*

3. *THAT A TIME-LIMITED TASK FORCE BE ESTABLISHED TO:*

   i. *DEVELOP A PLAN TO IMPLEMENT THE TRAINING REQUIREMENT;*

   ii. *DEVELOP A PROCESS TO ENSURE ACCESS TO TRAINING FOR ALL PROVIDERS OF GOVERNMENT FUNDED HOMEMAKING;*

   iii. *REVIEW THE GUIDELINES, STANDARDS AND CONTENT OF HOMEMAKER TRAINING COURSES, PARTICULARLY IN RELATION TO TRAINING FOR SIMILAR OCCUPATIONS;*

   iv. *DETERMINE WHAT TRAINING QUALIFICATIONS OR EQUIVALENCIES AND LEVELS OF EXPERIENCE WILL BE ACCEPTED TO MEET THE TRAINING REQUIREMENT;*

v. *REVIEW THE IMPLICATIONS OF INDIGENOUS AND REMOTE WORKERS AND CULTURAL UNIQUENESS WITH RESPECT TO TRAINING EQUIVALENCIES, DELIVERY OF TRAINING, STANDARDS AND MATERIALS USED IN TRAINING;*

vi. *RECOMMEND ANY RELATED CHANGES TO THE REGULATIONS TO THE HOMEMAKERS AND NURSES SERVICES ACT;*

vii. *DEVELOP AN APPLICATION TO THE FEDERAL GOVERNMENT FOR TRANSITIONAL FUNDING TO ALLOW ALL EXISTING HOMEMAKERS TO MEET THE TRAINING REQUIREMENT;*

viii. *EXPLORE POTENTIAL LINKAGES BETWEEN TRAINING AND CURRENT EMPLOYMENT INITIATIVE PROGRAMS;*

ix. *REVIEW THE ROLE OF CURRENT AND ALTERNATIVE EDUCATIONAL TRAINING MODES SUCH AS DISTANCE EDUCATION, VOCATIONAL SCHOOLS, SECONDARY SCHOOL CO-OP PROGRAMS, ETC.;*

x. *DEVELOP A MULTI-YEAR PLAN TO MOVE HOMEMAKER TRAINING FROM BEING PRIMARILY GOVERNMENT SUBSIDIZED TO FEE-PAYING;*

xi. *REVIEW THE IMPLICATIONS OF CERTIFYING HOMEMAKER TRAINING;*

xii. *BE RESPONSIBLE FOR A ONE-YEAR FOLLOW-UP REVIEW OF THE TRAINING PROCESSES ADOPTED.*

4. *THAT BASIC TRAINING COSTS BE INCLUDED IN THE HOMEMAKER AGENCY RATE STRUCTURE TO ENSURE THAT ALL PURCHASERS OF HOMEMAKER SERVICES SHARE IN TRAINING COSTS.*

5. *THAT TRAINING AND BUDGET REQUIREMENTS ACCOMPANY EACH ANNUAL SERVICE PROPOSAL (REF. RATE SETTING RECOMMENDATION #7).*

6. *THAT STRATEGIES FOR CONTROLLING HIGH STAFF TURNOVER BE IMPLEMENTED IN ORDER TO REDUCE THE UNUSUAL NEED FOR TRAINING (REF. WAGES RECOMMENDATIONS).*

7. *THAT MCSS CONTINUE TO PROVIDE SUPPLEMENTAL GRANTS FROM ITS AREA OFFICES IN ORDER THAT TRAINING BE AVAILABLE IN SUFFICIENT QUANTITIES. THE MINISTRY OF HEALTH SHOULD REIMBURSE MCSS FOR A SHARE OF THESE GRANTS.*

III. WAGES

A. Background

In recent years it has become increasingly difficult for homemaker agencies to recruit and maintain adequate numbers of homemakers to meet the demand for service. This problem has been attributed primarily to the low wages agencies paid due to the low hourly rates they received for providing homemaker services.

The reduced ability of homemaker agencies to attract and keep good staff has raised concerns around issues such as the following:

- the quality of service provided by relatively inexperienced or untrained homemakers;
- high administrative costs incurred by constantly recruiting and training new employees, and;
- an inordinate amount of supervisor's time being spent on hiring and training new staff rather than overseeing caseloads.

Conditions of employment in addition to low wages have also contributed to the shortage of available trained homemakers. Homemakers who are employed by agencies are exempted under the Employment Standards Act from (1) minimum wage protection after twelve hours per day, (2) maximum working hours protection, and (3) overtime pay.

The compensable factors of the homemaker job are those that have been traditionally undervalued or ignored by job evaluation systems,

organizations and society. The responsibility involved in being the main connection between an elderly or seriously ill person and their community life support system (e.g., doctor, food stores, social workers, etc.) has not been recognized. The working conditions encountered may be poor but because of the in-home nature of the service this does not have public visibility. The physical effort involved in housekeeping, laundry, and personal care in the home situation is also not visible and the mental effort of dealing with sick and elderly persons and their families is often taken for granted.

B. Review

The consulting firm of J. Davidson-Palmer and Associates was retained by the sub-committee responsible for reviewing the low wages issue. The purpose of the consultant's review was to determine a fair compensation level for homemakers and recommend a strategy for implementing and maintaining it. In order to achieve this purpose, the consultant was required to:

- accurately describe the homemaker job
- document current pay practices and wage scales
- assess the work of homemakers and other key jobs
- examine such issues as regional wage differences and skill variation.

The issue of homemaker wages transcends the traditional limits of job evaluation and wage determination and therefore requires a comprehensive examination of jobs within organizations, across organizations, and involving both similar and comparable value types of work. The scope of the consultant's study did not permit such an

exhaustive survey but sought instead to obtain sufficient information to establish a reasonable range of comparison based on selected key jobs both within and external to organizations providing homemaker services. Although homemakers are excluded from the provincial pay equity legislation because of the lack of a male comparison group, the approach taken here was based upon similar principles i.e., assessing the value of the work performed.

The consultants looked at a number of areas which were key to understanding the low wage issue. These included:

- a profile of service providers
- the dimensions of a homemaker's job
- turnover, supervision, qualifications and work patterns
- the current wage structure
- the value of the homemaker job as compared with other positions.

The study involved a number of components which were designed to elicit this information from a variety of sources. The key activities are shown in Figure 1. below.

Figure 1. Information Sources and Information Gathering Approaches

INFORMATION SOURCE	INFORMATION APPROACH
Homemaker Service Providers	Population Survey N = 104 Organizations
Detailed Study Participants	Job and Wage Survey N = 24 Organizations
Homemakers	Selected Sample Survey N = 20 Individuals
Assignment Documentation	Selected Documentation Review N = 100 Files

The consultant's review provided a fairly consistent picture of the homemaker's job across commercial and not-for-profit lines, across the province and from small agency to large agency. The clientele, the types of duties, and the working conditions were reported as being quite similar. Some variations in wage rates were noted between the commercial and not-for-profit agencies and between regions. The highest average pay was found in not-for-profit agencies in the northern region.

Pay was generally found to be low and few benefits were provided. Although travel is a requirement of the job since the majority of homemakers had more than one case per day, few agencies paid for travel time between cases. There was significant concentration at the minimum levels of the pay range and the size of the range did not permit much flexibility in terms of paying for years of experience and training. There was a wide variation in the wages of supervisory and clerical jobs with some supervisory positions at relatively low levels while the clerical jobs were at rates slightly higher than the homemaker. These positions, along with the assistant supervisor position, are key to examining internal relativity.

Highlights from the consultant's review are presented below.

<u>Agency Profile:</u>

- 39% of the responding agencies reported over half of their staff as having less than one year of service with the agency. The majority reported less than 25% of their homemakers as having more than five years service.

- The number of homemakers terminating employment in the past year exceeded 100 in 13% of the agencies responding. Over 40% of the agencies reported homemaker terminations exceeding 50% of their total workforce. This finding and the one cited above substantiate the concern about high turnover and have potential implications for the quality of service. The providers spoken with cited wages as a major contributing factor to their difficulty in attracting and retaining staff.

Homemaker Profile:

- The majority of agencies (63%) reported that the qualifications of over half of the homemakers currently on staff were a combination of training and experience, and the majority of remaining homemakers had some prior experience.

- The average homemaker works on a part-time basis. Service providers indicated that the majority of homemakers work between 18 and 34 hours per week and a significant number work on average less than 18 hours per week. Some agencies reported considerable variation in workload per homemaker depending on the number of caseload hours.

- One of the difficulties reported was the lack of stability in the number of hours worked because of variability in the cases. Homemakers have no guarantee of any specified number of hours and therefore no predictable income over time.

- The average homemaker caseload was reported to be 2 cases per day. A higher percentage of the commercial group (30%) as

compared with the not-for-profit group (15%) reported more than 2 cases per day.

- The majority of agencies responding to the survey reported the average ratio of supervisors to homemakers as being one supervisor to 21-50 homemakers. The ratio stated in the Red Cross homemaker guidelines is 1:20 which is still considered high.

- Information provided by service providers on the extent of supervision was incomplete. From the survey of homemakers came the finding that the bulk of supervision is done indirectly over the telephone, on average less than 15 minutes per week. Direct supervision is usually limited to staff meetings or site visits. The homemaker job therefore requires a fair degree of independent action and decision-making in most situations.

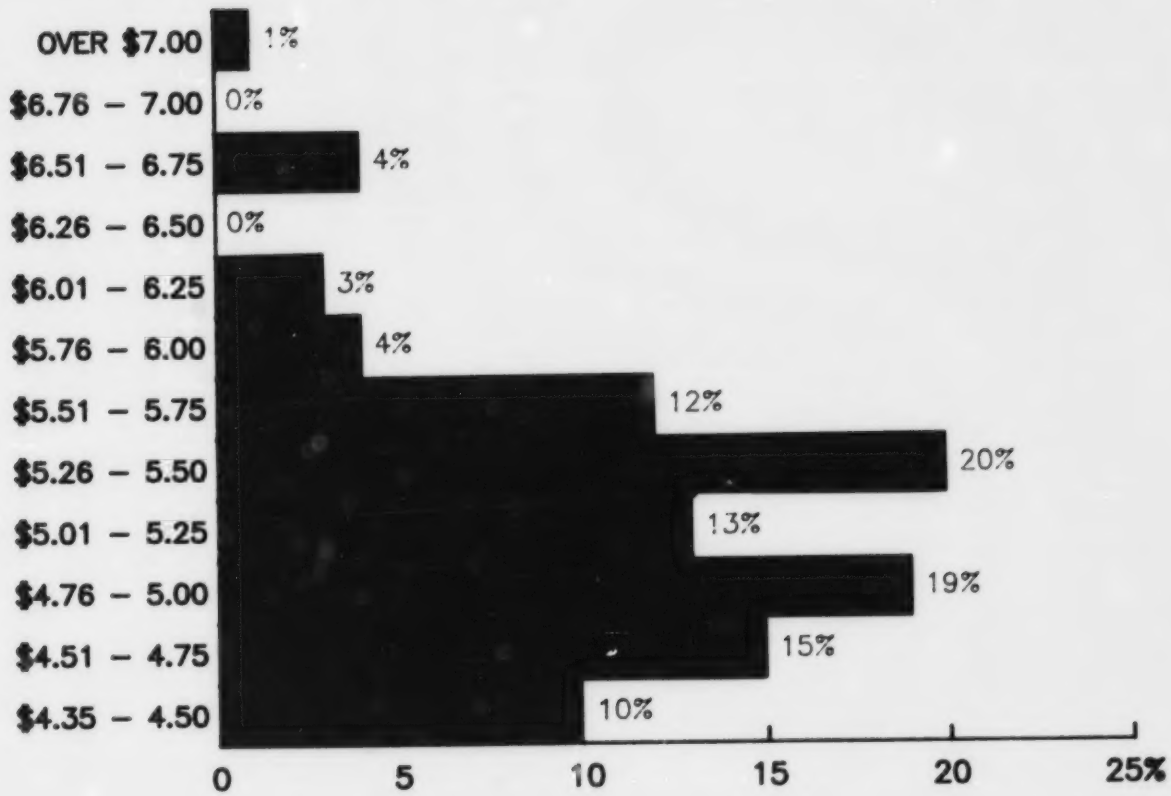
Wage Profile:

- The average hourly wage for homemakers identified by the agencies ranged from $4.35 to $7.80 per hour for not-for-profit agencies and $4.35 to $5.75 per hour for the commercial agencies. Fifty-seven percent of all agencies reported an average hourly wage of less than $5.25 per hour (see Table 3.1).

- In the commercial sector, 41% of those found at the minimum of the wage range were in the $4.35 to $4.50 bracket. While those at the minimum in the not-for-profit group (30%) were clustered in the $4.76 to $5.00. Those at the maximum of the range in the commercial group were found in the highest concentration in

the $6.01 to $6.25 bracket while in the not-for-profit group they were found in the over $7.00 bracket.

Table 3.1. Overall Distribution of the Average Homemaker Wage as of June 1987 (n = 101 organizations)



- Regional differences were noted with the northern region overall having a greater concentration of average wage rates in the higher brackets. However, the wage rates of the commercial group were lower than the not-for-profit group in this area. The regional difference was particularly striking in the southwestern region where 77% of the providers reported average wages which were less than the lowest average wage in the north.

- With respect to travel, 81% of the agencies surveyed do not pay for travel time between cases while 75% provide some form of paid mileage.

- Approximately 75% of agencies reported providing payment for statutory holidays to both full- and part-time workers. The next most frequent benefit provided was a uniform. The vast majority of agencies did not provide sick leave, compassionate leave, shift/weekend premiums, lunch hour, vacation, pension, OHIP, or group insurance (see Fig. 2).

In terms of the kinds of work done by homemakers, the consultant's survey found that while there is a wide range of activities, the most frequent are: personal care, light housekeeping, meal preparation, and laundry/ironing. Experience is seen by homemakers as being important to their job. Travel time, working conditions, effort, and recognition of responsibility in a relatively isolated working environment were key areas to be examined in determining an adequate wage strategy.

In order to determine a fair value for the work done by homemakers, the consultants designed a framework for comparing homemakers to other similar occupations. Multiple job descriptions and wage data were obtained and analyzed for clerical positions, homemaker supervisory positions and relevant positions in the health care field. A number of the positions are very similar if not identical to that of the homemaker. The attendant care aide is very similar and in some cases, not as extensive, in both duties and client group served as are the homehelper, home help worker, outreach attendant and housekeeper jobs.

Figure 2. Benefits for Homemakers

Benefits	Percentage of Agencies Where Provided[1] (n = 101 organizations)
Travel time paid	19%
Mileage	75%
Statutory Holidays	73% to full-time staff
	77% to part-time staff
Compensation for Uniforms	67% to full-time staff
	50% to part-time staff
Compensation while in Training	39%
Lunch hour	17%
Shift/weekend premiums	5%
OHIP	13% to full-time staff
	9% to part-time staff
Sick leave	10% to full-time staff
	4% to part-time staff
Vacation beyond 4%	18% to full-time staff
	12% to part-time staff
Pension beyond C.P.P.	7% to full-time staff
	2% to part-time staff
Group Health/	16% to full-time staff
Life Insurance	9% to part-time staff

[1] Not all homemakers in an agency necessarily receive these benefits.

The findings of the job evaluation process are set out in Table 3.2. The job evaluation plan was drawn up based on the input from service providers, homemakers and background information. The intent was to develop a relatively simple approach which could be used across the working levels of social service and health care organizations and within the same types of organizations for different types of jobs as well as comparable jobs in other organizations.

The effort and working conditions factors were seen as fairly important in the social service and health care occupations. Since supervisors also get involved in the direct delivery arena they are subject to the same types of conditions in these areas at various points in time. It was also felt that the characteristics of skill and responsibility found in the homemaker position were not always recognized and acknowledged. Factors such as human relations skills or responsibility for client well-being fell into this category.

Fifty-point job evaluation bands were established with the greatest concentration of positions falling into the band where the homemaker job is located. The homemaker position was in fact towards the top end of the band. It is clear that there is considerable variation in the wages paid for similar jobs. Higher wages were often associated with either unionization or parity with union wages such as in some hospitals and nursing homes, or the inclusion of the position in the regular job evaluation process for all jobs in that organization. The home help worker is a good example of the latter where between 1985 and 1986 the wage for this position increased 19%.

Table 3.2 Job Evaluation Results of Key Jobs

Job Evaluation Band	Position Title	Main Activities	Mean Wage per Hour
300-350	Cleaner Matron	Basic household Bldg. clean. polish	$6.25 $10.70
351-400	Housekeeper Housekeeper Aide Dietary Aide	Light housecleaning Res. cleaning,polishing Food prep & service	$6.00 $9.00[1] $9.00[1]
401-450	Office Manager Caretaker	Receptionist, phones Floor cleaning grounds	$8.70 $11.50
451-500	no positions		
501-550	Home help Worker Homehelper Attendant Care Aide **Homemaker** Clerical Attendant counsellor Outreach Attendant Orderly Bookkeeper Health care worker Health care aide	Housekeeping, laundry Housecleaning Personal Care **Housekeeping, Personal Care** Routine clerical work Personal help Housekeeping Personal Care Finances, accts personal care, housekeeping Bedside care and feeding	$10.43[2] $6.00 $8.35[2] **$5.90** $8.00[2] $9.30[2] $6.95[2] $11.00 $6.00 $9.18[1] $5.75
551-600	Asst. Supervisor	Service, managing	$11.50
601-650	Coordinator Intake worker	Service, client meet. Assessment	$10.42 $12.00
651-700	Homemaker supervisor	Overall performance, hiring, training	$14.28

[1] Unionized environment
[2] Included in organization's Job Evaluation Plan

No comparisons were made within organizations of "male" and "female" jobs. However, it is possible that problems in regard to the pay equity issue exist within some homemaking provider organizations given that a number of the "female" jobs are at the low end of the wage spectrum.

The homemaker and similar positions in homemaking agencies appear to be undervalued relative to other positions in the same organizations and to similar positions in non-homemaking organizations. The picture of the total compensation of the homemaking job is made even worse by the fact that the position is afforded few benefits as compared with some other positions often within the same organization. Positions which are part of the regular salary administration program tend to have a variety of benefits including OHIP coverage, vacation, insurance, pension coverage. A benefits level of 20-30% is a common standard in organizations with positions comparable to homemakers. Therefore, the total compensation e.g., wages plus benefits, of clerical and other comparable jobs is considerably greater than that of the homemaker job.

One of the problems noted in the analysis of overall wage distribution was the tendency for homemaker wages to be concentrated at the lower end of the scale with a high representation of minimum wages in the lowest bracket. The large numbers of homemakers at the minimum wage is undoubtedly due, at least in part, to high turnover and a lack of experience. However, it has further implications for the general valuing of the position. This concentration at the low end of the scale suggests direct action with respect to an entry level wage for homemakers. In addition to the low wages, the lack of benefits

places the members of this female occupational group at both an immediate serious financial disadvantage and a future negative position with respect to pension.

Most of the important concerns of the Interministerial Committee were borne out in the consultant's study. Turnover is extremely high, direct supervision is infrequent, working conditions are sometimes hard, the responsibility associated with the care of an elderly, ill and/or disabled person is at times demanding and the capacity to attract good homemakers is increasingly difficult. Wages are low relative to other jobs within homemaker agencies and to those in other health, educational, and social service organizations.

C. Conclusions

The main conclusion arrived at by the Committee was that increasing homemakers' wages is the single most important factor in ensuring the ongoing viability of the visiting homemaking system. The inability of agencies to recruit enough homemakers has meant an inability to provide much needed services to elderly and disabled persons in the community. The only alternative for many of these people is institutionalization which carries with it high personal and financial costs. This clearly contradicts the strategic direction of the government which is to maintain people in their homes for as long as possible.

It is unrealistic to expect people to work for wages close to the provincial minimum and be competent and willing enough to perform the range of functions required of a homemaker. While the nature of the occupation has contributed to its low value, it is clear that the

low rates historically paid by purchasers of homemaking have served to artificially suppress wages. Thus, it is viewed by the Committee as being the purchasers' responsibility to intervene to raise wages to an approximate market value as determined by the wage comparison study. Over time, labour market forces will work to adjust the wages if given flexibility in the rate. In order to have this flexibility and ensure the durability of reforms to the system, the Committee recommends that the wages and benefits portion of the rate be excluded from annual Provincial restraint guidelines for the next five years. If wages are held to increases of 4%, the base wage of $7.00 being recommended now will grow over five years to $8.50 per hour which will result in the same problems we have today. Thus, unless the restraint exemption is approved, the initial base wage will have to be substantially higher e.g., $10.00 per hour, which will cost the government more than would a phased-in approach.

The Committee recommends that the Ontario Association of Visiting Homemaker Services (OAVHS) be responsible for having an annual wage study conducted by a credible consultant using methodology specified jointly by MCSS and MOH. In the first year, MCSS will give the OAVHS a grant to enable them to do this. However, in following years, the OAVHS activities should be supported in the rate structure. A proposal for overall wage adjustments would be submitted at the beginning of each years' rate negotiation process and should reflect any employer/union[5] discussions.

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5. Unionization has already been initiated in some large homemaker agencies. Further unionization will have an impact on wages across the industry.

As an additional means of ensuring ongoing evaluation of the homemaker job, the Committee encourages agencies to include the homemaker position in the regular job evaluation process used for all jobs in that organization. It is anticipated that the carry-over effect of increased homemaker's wages on private-pay clients will be mediated by not-for-profit agencies' willingness to use their charitable funding to subsidize the rate charged individuals not served by publicly funded homemaking.

The Committee recommends that following the first year's base wage increase, annual guidelines for the local rate negotiations specify that homemakers' wages and benefits be no less than a minimum percentage of the hourly rate. This minimum proportion of the rate will vary from year to year and will protect the homemakers' wages and benefits from continuing encroachment by other costs of delivering service.

In addition to improving wages, the Committee strongly recommends that in order to improve the attractiveness of the occupation, homemakers receive the benefits and employment standards protection accorded most workers. Benefits, or cash in lieu of benefits, should be no less than 20% of the homemakers wages. Statutory benefits (eg., C.P.P., U.I., W.C.B., vacation, illness) total about 14% which would leave 6% for health-related benefits (e.g., OHIP, dental, extended health, life insurance) and possibly a contribution to a pension plan, in which the Committee encourages homemaker agencies to invest. The majority of homemakers work part-time thus, their benefits packages will be lower than for full-time salaried employees. Therefore, the Committee recommends that agencies make an offer of full-time hours, where feasible, for those homemakers who wish them. This should

also contribute to an increase in the attractiveness of the job and act as a control on the number of homemakers to be recruited and trained. Case scheduling needs to be reviewed in the development of homemaker program standards and guidelines to better allow for this.

D. WAGE RECOMMENDATIONS

1. *THAT THERE BE AN INITIAL BASE WAGE SET FOR THE HOMEMAKER OCCUPATION THAT WOULD SERVE AS A MINIMUM STANDARD BELOW WHICH PUBLICLY SUBSIDIZED HOMEMAKERS CANNOT BE PAID.*

2. *THAT THIS INITIAL BASE WAGE BE SET AT $7.00 PER HOUR PLUS AGENCY SCALE, 20% BENEFITS AND REGIONAL VARIATIONS FOR ALL PROGRAMS AUTHORIZED UNDER THE HOMEMAKERS AND NURSES SERVICES ACT AND SUPPORTED BY PROVINCIAL GOVERNMENT FUNDING. THIS REPRESENTS THE ASSESSED VALUE OF THE ENTRY LEVEL HOMEMAKER JOB AS OF JUNE 1987.*

3. *THAT FOLLOWING THE INITIAL YEAR, HOMEMAKER WAGES AND BENEFITS BE DEFINED ANNUALLY AS A PROPORTION OF THE HOMEMAKER AGENCY RATE (REF. RATE SETTING RECOMMENDATION #II).*

4. *THAT HOMEMAKERS RECEIVE EMPLOYEE BENEFITS EQUAL TO AT LEAST 20% OF THEIR WAGES. BENEFITS PACKAGES ABOVE THE STATUTORY MINIMUM ARE TO BE SET BY INDIVIDUAL AGENCY POLICY.*

5. *THAT HOMEMAKING AGENCIES BE ENCOURAGED TO OFFER THEIR STAFF FULL-TIME HOURS WHERE FEASIBLE. CASE SCHEDULING NEEDS TO BE REVIEWED TO BETTER ALLOW FOR THIS TO OCCUR.*

6. *THAT THE ONTARIO ASSOCIATION OF VISITING HOMEMAKER SERVICES (OAVHS) RECEIVE A ONE TIME GRANT FROM MCSS WITH WHICH TO SET UP A DATA BASE ON HOMEMAKER WAGES IN ORDER TO PREPARE ANNUAL PROPOSALS FOR WAGE ADJUSTMENTS TO BE USED IN THE RATE NEGOTIATION PROCESS. ONGOING FUNDING FOR THIS WILL COME FROM THE CONTRIBUTIONS TO ASSOCIATIONS ALLOWED IN THE RATE STRUCTURE.*

7. *THAT A JOINT MINISTERIAL COMMITTEE MEET WITH THE OAVHS ANNUALLY TO REVIEW THE WAGE PROPOSAL AND DOCUMENTATION.*

8. *THAT ADJUSTMENTS TO HOMEMAKER WAGES NOT BE RESTRICTED BY GOVERNMENT RESTRAINT CEILINGS FOR THE NEXT FIVE YEARS IN ORDER TO ALLOW THE WAGES TO STABILIZE AND RESPOND TO MARKET FORCES. THAT ALLOCATIONS TO THE MINISTRIES TAKE THIS INTO ACCOUNT.*

9. *THAT THE EMPLOYMENT STANDARDS EXEMPTION BE REMOVED FOR HOMEMAKERS TO GIVE THEM MINIMUM WAGE PROTECTION AFTER TWELVE HOURS, MAXIMUM WORKING HOURS PROTECTION AND OVERTIME PAY.*

10. *THAT THE TITLE OF THE HOMEMAKER JOB BE CHANGED TO INCREASE THE ATTRACTIVENESS OF THE OCCUPATION AND TAKE INTO CONSIDERATION ALL IN-HOME SERVICE WORKERS.*

IV. RATE SETTING PROCESS

A. Background

As already stated, the mandate of the Interministerial Committee was to help ensure the survival of the not-for-profit homemaking system. The major problem which has been clearly identified is a shortage of homemakers which is causing concern about the future delivery of in-home support services to elderly and disabled persons among others. This in turn, is directly linked to the low wages paid to homemakers which are determined mainly by the hourly rate that agencies receive for providing service. The hourly rate is supposed to cover not only the homemaker wages but all other costs associated with the delivery of homemaker services. In recent years, a low rate has served to keep wages low as well as place agencies in financial jeopardy. At a time of expanding home support services in the community, it behooves the funders of homemaking to ensure that major service providers do not close down because they can no longer afford to provide homemakers.

There are many historical reasons for the existing low rates, all of which point to the need for the development of a rate setting process and rate structure which reflect the costs of delivering a quality homemaker service and the responsibilities of the major purchasers of these services.

At the present time, the major players in the rate setting process are (1) the providers of homemaker services, (2) municipalities, and (3) Area Offices of the Ministry of Community and Social Services. In theory, homemaker agencies are supposed to develop, on an annual basis, an hourly rate for their services to clients which reflects both

the needs of the client and the costs to the organization of delivering the homemaking service. This rate, together with substantiating documentation, is forwarded to the local municipal Social Services Administrator. The rate proposal is reviewed by the Social Services Department and, if required, negotiated between the agency and the Department. Once municipal council concurrence is obtained by the Department, the agreed upon rate is forwarded to the Area Office of the Ministry of Community and Social Services for approval. A Program Supervisor at the Area Office reviews the municipal submission and, in accordance with funding allocation guidelines provided annually by the Ministry, determines the approved rate. The Area Office subsequently advises the municipality of the approved rate, and the municipality, in turn, advises the provider homemaker agencies. The Area Office is also responsible for advising the Home Care Program of the Ministry of Health, which is the principal purchaser of services.

Prior to the implementation of the Integrated Homemaker Program, the Ministry of Health covered about 72% of the provincial homemaker costs, the Ministry of Community and Social Services covered almost 21%, and the local municipalities together contributed approximately 7% of the required funding. Even now, the smallest purchaser "negotiates" the rate with service providers, and the next smallest purchaser approves the rate, while the largest purchaser by far is excluded from both the rate negotiation and rate approval procedures. The only leeway the Ministry of Health has in the control of homemaker costs is through its Home Care Program purchase of service agreements which use rates at or below the rate approved by the MCSS and agreed to by the respective municipality.

B. **Review**

The consulting firm of Community Concern Associates was hired to conduct a review of both the rate setting process and the rate structure. The objectives of the study were:

- to review the current practice in rate setting procedures, and the current considerations in the determination of the rate structure for homemaker services;

- to recommend options for dealing with the issues related to both the process and the structure, indicating advantages and disadvantages of the various options and, where possible, suggesting preferred courses of action; and

- to identify, where appropriate, strategies for implementing the preferred options.

A province-wide sampling of sites was carefully selected to reflect key variables which were pertinent to the analysis of rate setting process information. Eight sites were chosen which represented the following:

- a full range of hourly rates;

- varying degrees of municipal support for the homemaker program;

- the felt presence or absence of service competition from the commercial sector.

At each site, the consultant conducted in-depth interviews with: Municipal Social Service Administrators, Homemaker Supervisors, Home Care Program Directors, and MCSS Area Office Program Supervisors. Interviews were also conducted with key informants in various government offices, associations and homemaker agencies in Ontario and other jurisdictions in Canada. A total of 60 interviews were held.

A survey was mailed out to all municipal Social Services Administrators who were not personally interviewed (n=75). This survey allowed them the opportunity to identify concerns they had about the homemaker rate setting process and rate structure and to make any recommendations for improvements. There was a 42.6% response rate to the survey.

In general, study respondents were pleased that attention was being given to homemaker services. The problems with the homemaker service system were perceived to be both extensive and complicated, aggravated by felt injustices and years of inattention. While a resolution to these problems was desired and anticipated, it was also recognized that any new rate setting process would need a good process of development and implementation.

Everyone who was interviewed in the eight sampled sites, including municipal administrators, agreed that the present rate setting process was, in fact, not a process at all and that the primacy of the local municipal role in rate negotiation was rather ludicrous given (a) the small proportion of dollars municipalities contributed to the overall provision of homemaker services, and (b) that the rate approval was ultimately in the hands of a provincial ministry which could ignore the negotiated rate in light of its own budget constraints and allocation

priorities. Most municipal Social Service Administrators referred to their part in the current process as a burden they would gladly shed, even those with a somewhat larger stake in the cost-sharing arrangements felt that the primacy of their role was incongruous.

Because rate increases have been held over the past few years to 3-4% by provincial restraint guidelines, the practice has been developed by most homemaker agencies of simply increasing the total budget by 3-4% over the previous year, and reflecting this increase up through the budgetary items. Little or no effort is made to reflect, in the budget, the true needs of either the client or the organization since the allocated increase is considered in no way to address true needs. Frequently, no budget or substantiating documentation is forwarded to the municipality at the time of the rate proposal submission. The rate alone is sent unless other material is requested.

This is the most significant factor of the rate setting which is linked to the chronic shortage of homemakers due to low wages. With very few exceptions, the municipality does not review the agency rate submission with respect to its structure, or items of service delivery performance or quality. For the most part, if the requested rate is within the anticipated restraint guideline for the year, it is simply rubber stamped and set on to the Area Office for formal approval. In some instances, homemaker agencies (with the encouragement of the local Municipality) have requested rate increases beyond the anticipated Ministry allocation, and these have been agreed to by the municipality and forwarded to the Area Office. In most of these cases, however, Area Offices have been unable to approve the higher rate, due to restraint guidelines. In addition, it is pointed out by Municipal Administrators that the review, monitoring and negotiation

of the homemaker rate is not covered by special financing of the administrative costs and that these staff efforts have to be paid for out of the General Welfare Assistance budget which is cost-shared at 50% rather than the Homemaker and Nurses Services formula of 80/20%.

With very few exceptions, the Ministry Area Office Program Supervisors do not analyze the agreed upon rate submitted by the Municipality. Again, for the most part, if the rate is within the Ministry-determined increase (3-4%), the rate is formally approved. Only if additional money is being asked for is there a more thorough review of the request. Also, Program Supervisors, like Social Service Administrators note the lack of special funding to cover the administrative costs of reviewing and monitoring homemaker budgets and services.

It was pointed out that an increased role for the Area Office Program Supervisor in the rate setting process would require attention to the following:

- time investment required for the tasks undertaken;
- administrative costs entailed in the tasks undertaken; and
- coordination required, at the level of Area Office, of the variety of related programs (Home Help, Home Support, Attendant Care, etc.) and the need to consider the design of an overall "Home Based Program" encompassing all related services under one Manager and Unit.

Commercial homemaker agencies have tended to set their rates lower than the rates negotiated by not-for-profit agencies. In most cases

these lower commercial rates have also been negotiated with the local municipality; in some cases, however, the commercial agencies do not engage in negotiations with the local municipality at all, but simply contract for services at rates below or at the maximum negotiated by the local not-for-profit agency. It is possible, therefore, and indeed often happens, that a homemaker purchaser obtains homemaker services at a rate somewhat lower than the one negotiated with the not-for-profit agency, agreed to by the Municipality, and approved by the Ministry of Community and Social Services.

It was advised that, in the new rate setting process developed, attention should be paid to the formal inclusion of commercial homemaker agencies in all relevant communications between the rate setting authority, purchasers of service and providers of service. Inclusion in communications would help to establish an overall context for formal exchanges in other areas of importance such as (a) the expected submission of budgets and the previous year's audited statement with rate proposals, (b) inequalities in access to training grants, (c) responsibility for the outlying regions of a service catchment area, etc.

Home Care Programs are increasingly engaging in a tendering or service contracting process in their purchase of service agreements with homemaker agencies as a means of assessing quality of service. In some cases, the contracting is with the not-for-profit agency but not the commercial; in other cases the contracting is with the commercial agency but not the not-for-profit. In still other cases, contracting is employed only once every three years, but the tendering process, as exemplified by the Home Care Programs of Metro Toronto, Hamilton-Wentworth and Ottawa-Carleton, is becoming quite rigourous.

Homemaker service quality indicators did not easily spring to the mind of most Homemaker Supervisors interviewed despite the fact that the OAVHS Homemaker Services Standards document identifies or intimates several such indicators. However, there were positive reactions to such measurements as:

- o Qualifications of recruited homemakers
- o Nature and extent of homemaker orientation
- o Homemaker training
- o Homemaker wage scale and average wage
- o Rate of homemaker turnover the previous year
- o Average length of homemaker employment with the agency
- o Ratio of supervisors to homemakers
- o Ratio of supervisors to clients
- o Average number of supervisor visits per month to clients
- o Nature and extent of in-service training
- o Nature and extent of client and/or purchaser complaints

In the presentation of optimal models for the rate setting process, emphasis was given to two important features: (1) the participation of all interested parties in the process; and (2) the clear distinction between the rate setting and approval process and subsequent service contracting, which allows performance standards to be established and quality controls to be introduced, without taking away the purchaser's ability to seek the best value for the dollar.

In developing an optimal model for rate setting, the consultant identified the following characteristics as desirable:

- o is conducive to the development of Province-wide procedural consistency based upon a common set of rate setting process guidelines and standards;

- o is conducive to a Province-wide rationalization of a rate structure according to universally applied criteria;

- o gives primacy to the major purchasers of service (the Ministries of Health and Community and Social Services), but also provides an opportunity for other purchasers (Local Home Care Programs and municipalities) to give their input to the rate setting deliberations;

- o provides clear lines of communication, accountability and precise focal points of responsibility, which are conducive to simplicity of implementation;

- o provides an opportunity for local input which reflects the subtleties of local service delivery needs, agency performance capabilities, and the possibly unique demands of the local region;

- o reflects as much simplicity as possible without obscuring some of the complexities of the reality.

C. Conclusions

The model that most closely meets the criteria identified by the consultant places responsibilities for the rate negotiation process at both the corporate and local levels of provincial government. While responsibility for setting the annual rate structure guidelines would

remain at the corporate level, the review of agency rate proposals and developing the rates would take place at the local level. As the viability of the homemaker system is secured over time, the corporate role would be reduced.

In the model recommended by the Committee (see Figure 3.), there is a Joint MCSS/MOH Committee comprised of policy and program, operations, and financial planning representatives[6] at the corporate level. The committee would be truly joint in that decisions must be reached by consensus. Disagreement at any level would need to be resolved by counterparts in each Ministry. The responsibilities of this Committee would be to develop, maintain and monitor the annual agency rate negotiation process.

i. Review the wage adjustment proposal and documentation submitted by the Ontario Association of Visiting Homemaker Services;

ii. Meet with associations representing purchasers and providers e.g., Ontario Association of Visiting Homemaker Services, Ontario Municipal Social Services Association, Association of Ontario Home Care Associates, Ontario Home Health Care Providers Association, for the initial three years. The purpose of these meetings would be to evaluate the success of the new rate negotiation process. The Joint Committee would address any identified problems. After these first three years, the committee

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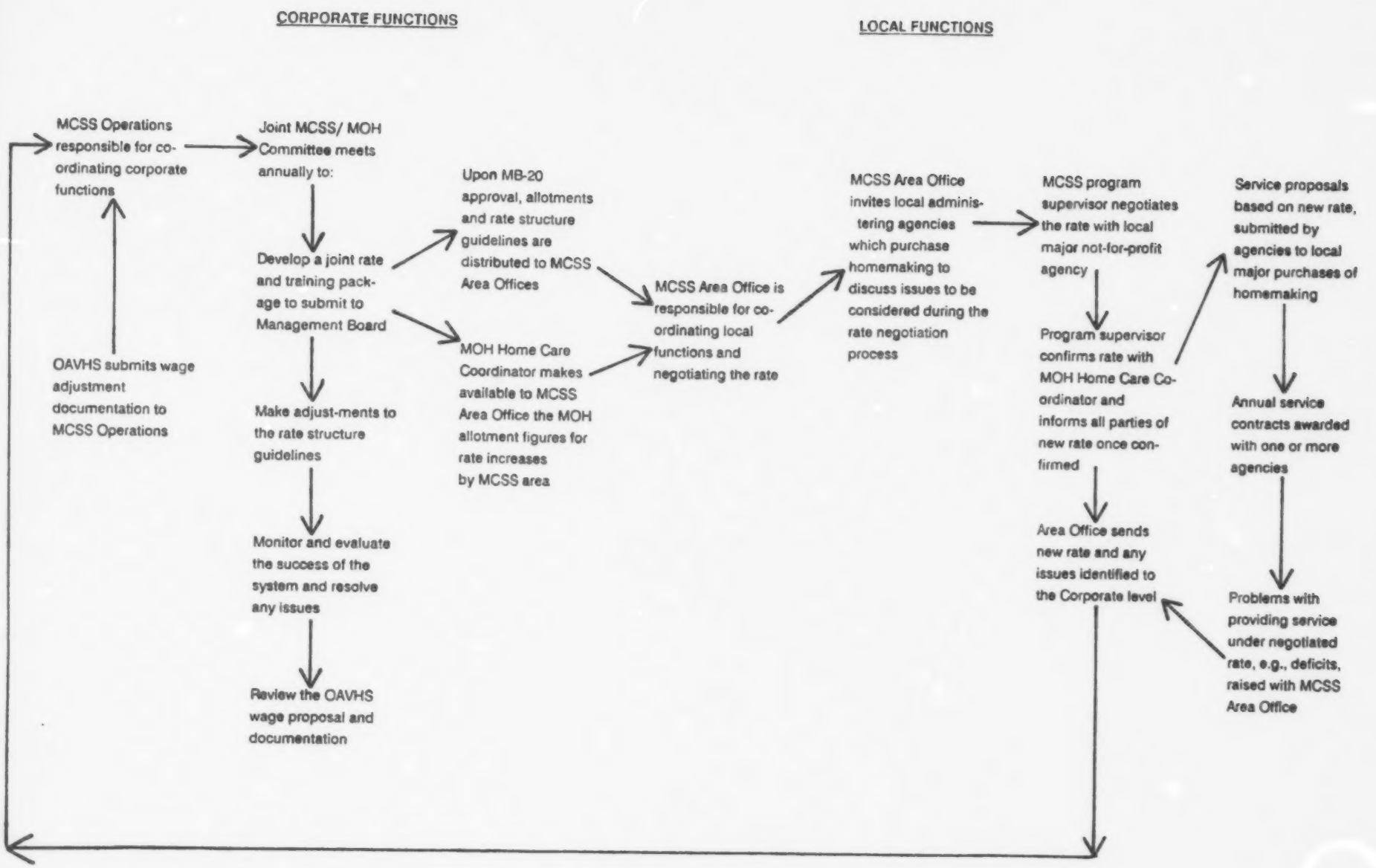
6. The Ministry of Health may also choose to have a representative from its Negotiations Unit involved in the review of the wage adjustment proposal.

would continue monitoring the rates for provincial consistency, however, this role will phase-out as the homemaker industry stabilizes;

iii. Make adjustments to the rate structure guidelines to be used in local rate negotiations. The guidelines would specify what minimum proportion of the negotiated rate should go to homemakers' wages and benefits (Ref. Wage Recommendation #3). The increases for the remaining portion of the rate would be subject to provincial restraint guidelines. Other areas covered by the guidelines would include any changes to the supervisor:homemaker ratio, items to be allowed in the rate structure, training costs, travel costs, etc. The inputs to this process would include: (1) the OAVHS wage adjustment proposal, (2) the previous year's rates across the province, (3) issues identified by the MCSS Area Office to Corporate Operations, (4) issues identified by the associations involved in the process;

iv. Develop a joint submission to Management Board for resources for the complete provincial rate and training package. Once approval is received, MCSS allotments and the rate structure guidelines would be distributed to the MCSS Area Offices. Home Care allotments would be received by the Ministry of Health Home Care Co-ordinator who would make the figures available, by MCSS area, to the MCSS Area Office. All allotments would be used only for the purposes of purchasing homemaking services and training.

FIGURE 3. RATE SETTING MODEL


CORPORATE FUNCTIONS
LOCAL FUNCTIONS
MCSS Operations responsible for co-ordinating corporate functions
OAVHS submits wage adjustment documentation to MCSS Operations
Joint MCSS/ MOH Committee meets annually to:
Develop a joint rate and training pack-age to submit to Management Board
Make adjust-ments to the rate structure guidelines
Monitor and evaluate the success of the system and resolve any issues
Review the OAVHS wage proposal and documentation
Upon MB-20 approval, allotments and rate structure guidelines are distributed to MCSS Area Offices
MOH Home Care Coordinator makes available to MCSS Area Office the MOH allotment figures for rate increases by MCSS area
MCSS Area Office is responsible for co-ordinating local functions and negotiating the rate
MCSS Area Office invites local adminis-tering agencies which purchase homemaking to discuss issues to be considered during the rate negotiation process
MCSS program supervisor negotiates the rate with local major not-for-profit agency
Program supervisor confirms rate with MOH Home Care Co-ordinator and informs all parties of new rate once con-firmed
Area Office sends new rate and any issues identified to the Corporate level
Service proposals based on new rate, submitted by agencies to local major purchases of homemaking
Annual service contracts awarded with one or more agencies
Problems with providing service under negotiated rate, e.g., deficits, raised with MCSS Area Office

At the local level, the MCSS Area Office would be responsible for co-ordinating local functions and negotiating the local rate. The MCSS Area Office would meet with the local Home Care to determine which not-for-profit agency was to be negotiated with as determined by volume of Home Care service in the preceding year. They would also agree upon the service volume assumptions, as estimated by Home Care, upon which the rate negotiation and subsequent service proposals would be based.

The MCSS Area Office would invite other local administering bodies which purchase homemaking to discuss issues to be considered during the rate negotiation between the Area Office and the local not-for-profit agency. Such bodies could include the Municipality, Local Authority and Indian Bands. Where these administering bodies employ homemakers directly, the agency itself would follow the annual rate structure guidelines set by the Joint Committee.

Rate proposals following standardized provincial guideliens, would be developed by the major local not-for-profit homemaker agency within each Home Care area and negotiated with the MCSS Area Office. Proposals would follow standardized provincial guidelines which need to be developed for all publicly funded homemaker programs. These guidelines should address issues such as the following:

(a) rate structure (e.g., costs of service delivery);
(b) standards of performance (e.g., flexible hours, geographical coverage, culturally appropriate service);
(c) indicators of quality assurance (e.g., homemaker:supervisor ratio, training);
(d) previous year's financial statements; and
(e) training plans including any supplemental training grant requests.

Once the MCSS Area Office had arrived at a rate, it would be confirmed with the MOH Home Care Co-ordinator. Once confirmed with the Home Care Co-ordinator, the MCSS Area Office would approve the rate and be responsible for informing all parties of the new local rate. This rate would have to be followed by all publicly funded purchasers of homemaking i.e., a lower rate could not be paid.

The advantages to a single local rate are:

- o simplicity will keep both Ministries' staff time low as opposed to negotiating a different rate with every service provider (as high as 22 in Metro Toronto);

- o greater opportunity for provincial rate consistency with only 38 rates (number of Home Care areas) as opposed to the current 250 plus;

- o creates a climate which encourages provider agencies to develop high standards of performance given the same rate, rather than competing by providing the cheapest homemaking service.

The disadvantage to a single rate is that it may result in surpluses or deficits for agencies. These cannot be controlled as they are tied to the hours of service purchased which cannot be predicted with complete accuracy. The MCSS Area Office would be responsible for reviewing the documentation of agencies incurring deficits and surpluses at the time the service proposals were reviewed. The Area Office would make a recommendation for action to the Joint Committee regarding not-for-profit agency deficits and surpluses. A

strategy needs to be developed to maximize use of funding while allowing for recognition of good management and disincentives to incurring a deficit. An example of such a strategy would be to allow not-for-profit agencies to retain with 10% of any surplus incurred, to a maximum of $10,000. The surpluses above 10% would be reallocated to cover eligible deficits. Mid-year deficits resulting from changes to service volume assumptions used in the rate negotiation process would be reviewed for possible action at the local level.

Once the new rate had been established, all agencies wanting to provide government funded homemaking would submit a service proposal. The service proposals would be based on the new rate and be prepared under the same standardized provincial guidelines and service volume assumptions used by the agency involved directly in the rate negotiation process described earlier. Service proposals would be submitted to the local major purchaser(s) of homemaking e.g., the local Home Care, Municipality, Local Authority, Indian Band which would award one-year service contracts with one or more provider agencies.

Accompanying the service proposals would be the agency training plan with an accompanying budget, and evidence of having met the rate structure guidelines for the preceding year. For example, that homemakers' wages and benefits paid out met the minimum proportion of the rate set; that the supervisor to homemakers ratio was met, and; that all homemakers on staff were trained to the provincial standard. This documentation would be submitted to both the major purchasing body and the MCSS Area Office for analysis and joint review if necessary. Over time, an agency's documentation with respect to rate structure guidelines would need to be audited and submitted to the MCSS Area Office.

In recommending this model, the Committee recognizes it is not a simple process but one that acknowledges the various players and necessary components of the system. Critical to its success will be its implementation in such a way that the new rate is finalized prior to the start of the applicable fiscal year. This means that the rate, wage and training documentation used will be from up to two years prior to the year for which the rate is being negotiated. Adjustments will have to be made to take this into account.

D. RATE SETTING PROCESS RECOMMENDATIONS

1. *THAT AN ONGOING JOINT MINISTERIAL COMMITTEE BE ESTABLISHED AT THE CORPORATE LEVEL WITH THE RESPONSIBILITY OF:*

   i. *MEETING ANNUALLY WITH THE OAVHS TO REVIEW THE ASSOCIATION'S HOMEMAKER WAGE ADJUSTMENT PROPOSAL AND DOCUMENTATION (REF. WAGE RECOMMENDATION #6);*

   ii. *SETTING RATE STRUCTURE GUIDELINES TO BE USED IN LOCAL RATE NEGOTIATIONS WITH INPUT FROM ASSOCIATIONS REPRESENTING PURCHASERS AND PROVIDERS;*

   iii. *MONITORING THE FINAL APPROVED RATES FOR OVERALL CONSISTENCY AND ADEQUACY OF FUNDING;*

   iv. *MONITORING AND EVALUATING THE SUCCESS OF THE RATE STRUCTURE AND RATE SETTING PROCESS IN MAINTAINING A VIABLE HOMEMAKER INDUSTRY.*

2. *THAT MCSS AREA OFFICES BE RESPONSIBLE FOR CO-ORDINATING LOCAL FUNCTIONS AND NEGOTIATING THE RATE.*

3. *THAT LOCAL ADMINISTERING BODIES (E.G., HOME CARES, MUNICIPALITIES, LOCAL AUTHORITIES AND INDIAN BANDS) BE INVITED ON AN ANNUAL BASIS TO PROVIDE INPUT TO THE LOCAL RATE NEGOTIATION PROCESS.*

4. *THAT THE RATE BE NEGOTIATED ANNUALLY BETWEEN THE MCSS AREA OFFICE AND THE MAJOR NOT-FOR-PROFIT HOMEMAKER AGENCY. THE PROVIDER WILL SUBMIT A RATE PROPOSAL WHICH FOLLOWS PROVINCIAL GUIDELINES DEVELOPED BY THE JOINT MINISTERIAL COMMITTEE. WHERE LOCAL ADMINISTERING AGENCIES DIRECTLY EMPLOY HOMEMAKERS, THEY WILL FOLLOW THE SAME PROVINCIAL GUIDELINES.*

5. *THAT ALL HOMEMAKER PROGRAMS SUPPORTED BY PROVINCIAL FUNDS MUST FOLLOW A SINGLE LOCAL RATE APPROVED BY THE MCSS AREA OFFICE AND THE MINISTRY OF HEALTH HOME CARE CO-ORDINATOR.*

6. *THAT A STRATEGY BE DEVELOPED TO MAXIMIZE THE USE OF EXISTING FUNDING WHERE DEFICITS/SURPLUSES OCCUR IN NOT-FOR-PROFIT AGENCIES. WITHIN THIS FRAMEWORK THERE SHOULD BE RECOGNITION OF GOOD MANAGEMENT AND A DISINCENTIVE TO DEVELOP DEFICITS.*

7. *THAT THE ACTUAL PURCHASE OF SERVICE BE BASED ON AN ANNUAL SERVICE CONTRACTING PROCESS USING THE LOCAL APPROVED RATE. MAJOR PURCHASERS WILL HAVE ONE YEAR CONTRACTS WITH ONE OR MORE SERVICE PROVIDERS. SERVICE PROPOSALS WILL FOLLOW PROVINCIAL GUIDELINES WHICH WILL FOCUS ON QUALITY OF SERVICE ISSUES. THEY WILL ALSO INCLUDE FINANCIAL STATEMENTS FOR THE PRECEDING YEAR AND A TRAINING PLAN ACCOMPANIED BY A BUDGET.*

V. RATE STRUCTURE

A. Background

A rate structure covers the specific costs of service delivery covered by the hourly rate paid to homemaker agencies. While there is no generally employed rate structure as such, there has been increasing evidence over recent years of rate structure issues affecting an agency's ability to deliver homemaker services and/or obtain service contracts. In some areas, purchasers of homemaking services have not been paying for mileage and in most cases, the time a homemaker spends travelling between cases is not paid for. Both these issues affect the extent of geographical coverage and flexible hours that an agency is able to provide.

Increasingly, types of service and types of client are also affecting rate considerations. For example, with the introduction of the Integrated Homemaker Program the frail elderly have become a larger client population. Frequently, the needs of this clientele do not begin at the level of personal care, but rather begin with Home Support needs, graduate to Homemaking needs, and eventually, in many cases, embrace health needs requiring various degrees of nursing and/or therapeutic services. An emerging issue then, is whether a single homemaker rate can accommodate a range of client needs from household upkeep to personal care, from a full-day's service to an hour's visit.

As support programs in the community become more prominent, clients who might have previously been placed in hospitals, nursing homes or chronic care facilities, are now being kept at home. Palliative care, respite care, and care for clients with Alzheimer's disease are

becoming more common-place and placing new and more complicated demands on the services of homemaker agencies. These greater demands sometimes call for broader skills, better coping abilities, and irregular hours.

Few of these issues are currently being dealt with by rate structures, or addressed in a consistent way in budget submissions. Occasionally they come up in tendering or contracting when more diligence is registered in the actual purchasing of homemaker services. But this phenomenon is comparatively recent and far from extensive or consistent in its implementation to date.

B. Review

The consulting firm of Community Concern Associates was requested to identify any rate structure models currently used as a basis for rate negotiations and to recommend options for developing a (new) rate structure. They found that at the present time there is no more a rate structure formally in place than there is a rate negotiation process. As described in the previous section, the usual practice (with important exceptions) is for homemaker agencies to annually submit a new hourly rate based simply on the cost escalation permitted by the Provincial restraint guidelines which have averaged 3-4% over the past several years. In those few instances where a budget is also submitted, little attention is paid to the needs of the client, the special demands of service delivery, or the real costs to the organization in providing the homemaker service. If descriptions of the actual components of homemaker service delivery are found anywhere, they are most likely to be discovered in the responses to the requests for proposals that are required in some areas by some

purchasers where tendering or contracting is practiced. It should be noted, however, that the budgets developed by the homemaker agencies, and sometimes submitted to the municipality with the rate proposal for the year, usually give a complete breakdown of the components upon which a rate structure could be based.

It was the general conviction of the providers interviewed that (a) if homemaker wages were sufficiently attractive; (b) if homemaker training was sufficiently strengthened; and (c) if the rate structure sufficiently reflected the essential components of delivering a homemaker service, it would be possible to manage the program and co-ordinate staff in such a way that a continuum of services (home support through special care) could be provided to meet a variety of client needs, in a variety of circumstances without having varying rates.

The consultant considered options in two major categories: (1) components to be included in the rate structure; and (2) single versus multiple rates or premiums. The options pertaining to rate structure components focused on the type and extent of items to be legitimately and feasibly identified in the homemaker agency rate proposal. The options pertaining to single or multiple rates or premiums focused on rate structure items which tend to vary considerably according to a host of possible changing circumstances such as client needs, client location, staff turnover, caseload increases, skills requirements, etc.

C. Conclusions

In the selection of a rate structure model by the Committee, emphasis was given to one important feature: the selection of components to be included should demonstrate a commitment to homemaker services as a whole. The model presented in Figure 4. and described below recognizes homemaker services as an identifiable entity with cost factors which are directly and logically related to the delivery of an effective community-based program.

Figure 4. Rate Structure Model

- o Homemaker Recruitment
- o Homemaker Training
- o Homemaker Wages and Benefits
- o Supervision/Coordination
- o Administration
- o Overhead
- o Corporate/Association Contributions
- o Gross Profit/Losses (Commercial Agencies Only)
- o Surplus/Deficit (Not-for-profit agencies only)

Homemaker Recruitment:

- o the costs of recruiting homemakers e.g., advertising, staff time, etc.

Homemaker Training:

- o in-service training of homemakers including orientation and special skills training

- o basic training costs for Home Support Level II and III Training Courses or equivalent, supported by a training plan and budget submitted with the service proposal; unusual training costs would be reviewed at that time

Homemaker Wages and Benefits:

- o minimum proportion of the agency rate to be paid to homemakers
- o minimum of 20% benefits or cash in lieu of benefits

Supervision/Co-ordination:

- o salary and benefits based on an interim maximum ratio of 1 supervisor to 15 homemakers (full time equivalents)[7]
- o mileage costs involved in supervision of homemakers

Administration:

- o management
- o secretarial/clerical
- o bookkeeping and audit

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7. This maximum ratio will be reviewed for adequacy in the development of homemaker program standards and guidelines.

Overhead:

- o office accommodation
- o direct expenses
- o capital acquisition and depreciation

Corporate/Association Contributions:

- o contributions to an agency's corporate office where such an office provides direct staff support to the homemaker service
- o contributions to the homemaker providers' association to which an agency belongs

Gross Profit/Losses:

- o commercial agencies can derive their profits from the portion of the rate remaining after expenses

Surplus/Deficit:

- o not-for-profit agencies will have their surplus/deficit situation reviewed by the MCSS Area Office

The model embraces almost every item considered to be directly related to an organization's delivery of homemaking services. The assumption is that there is a firm Provincial intention to address the true needs and real costs of homemaker services, perceiving these services to be a valid and preferential alternative to institutionally provided services, thereby warranting an investment that guarantees their viability and effectiveness.

A major cost that is not included in the rate is homemakers' travel time between cases and transportation costs. This is because the wide variation in these costs between agencies would make a single local rate (see below) impossible. Consequently, the Committee recommends that the actual costs of travel time between cases (i.e., the homemaker's wages and benefits) plus transportation (i.e., mileage, bus fare) be charged to the purchaser of service. If either of these costs is expected to exceed the predetermined local case average, the agency would need the purchaser's approval in advance. Where there is more than one agency in an area, a particular agency's ability to use indigenous workers will give it a competitive edge by reducing travel costs to the purchaser. Alternatively, clients should not be denied service solely because of extraordinary travel costs involved.

The Committee recommends a single rather than multiple agency rate because it is far easier to administer. While not as responsive as the multiple rate, the single rate is still able to take into account almost every item that is directly related to an organization's delivery of homemaker services. The arguments which favour a single agency rate include:

- simplicity of implementation;
- reduction of rate variety;
- consistency in service proposals;
- facilitation of rate review;
- acceptability of the model by major purchasers and providers of homemaker services.

Disadvantages to a single rate include:

- o insensitivity to actual costs
- o potential for substantial deficits/surpluses to accrue
- o widely varying costs such as homemaker travel cannot be included

A single rate does not distinguish between services that are predominantly oriented to personal care and those which require predominantly household activities. There is the expectation that one rate would take into account the various circumstances possible on the assumption that higher wage levels and standardized training and travel cost criteria would protect the bottom line and permit flexibility in service delivery and the management of staff assignments. However, while there would be no special rate for services requiring special skills (beyond those now identified as basic homemaking activities) or a special capacity to cope with difficult clients or unusually stressful situations, it is expected that the wages of individual homemakers would reflect specialized skills obtained through experience or training.

D. RATE STRUCTURE RECOMMENDATIONS

1. *THAT THE RATE PAID TO ALL HOMEMAKER PROVIDERS BE AN INCLUSIVE ONE THAT COVERS THE COSTS OF DELIVERING SERVICE: HOMEMAKER RECRUITMENT; HOMEMAKER TRAINING (IN-SERVICE AND HOME SUPPORT LEVELS I, II, III); HOMEMAKER WAGES AND BENEFITS; SUPERVISION AND COORDINATION OF HOMEMAKERS INCLUDING STAFF SALARIES, BENEFITS AND MILEAGE; ADMINISTRATION OF THE PROGRAM; OVERHEAD COSTS; CORPORATE/ASSOCIATION CONTRIBUTIONS AND PROFIT.*

2. *THAT THE SUPERVISOR TO HOMEMAKER RATIO REFLECTED IN THE RATE STRUCTURE BE SET AT AN INTERIM MAXIMUM OF 1:15 FULL-TIME EQUIVALENTS.*

3. *THAT THE ACTUAL COSTS OF A HOMEMAKER'S TRAVEL TIME AND TRANSPORTATION BETWEEN CASES BE CHARGED TO THE PURCHASER OF SERVICE.*

4. *THAT A SINGLE AGENCY RATE BE ADOPTED WHICH IS SUFFICIENT TO COVER THE FULL RANGE OF SERVICES OFFERED AS WELL AS HOMEMAKER WAGES.*

VI. IMPLEMENTATION ISSUES

The extent to which the recommendations of the Committee meet the criteria set out in the introduction to this document can only be truly assessed after they have been implemented. Therefore, planning for this implementation is a critical step towards the success of this review. The committee has not developed a plan but has identified some of the issues which will need to be addressed by the implementation planning team once the Ministries of Health and Community and Social Services have responded to this report.

ISSUES:

- Establishment of the training task force:
  - terms of reference
  - staff support
  - membership
  - timing

- Co-ordination of current training needs and funding requirements

- Implementation of the initial base wage

- Development of standards and first year funding for the OAVHS to prepare a wage adjustment proposal and documentation

- Changing the Employment Standards to protect homemaker's

- Changing the title of homemaker occupation

- o Determination of MCSS/MOH human resource needs

- o Establishment of the Joint Ministerial Committee:
  - terms of reference
  - membership

- o Design of the rate negotiation process for example:
  - initial rate structure guidelines
  - rate proposal forms
  - service proposal forms
  - deficit/surplus guidelines
  - timing of each component of process
  - Implementating single local rates

- o Development of a communication plan:
  - changes in rate setting process communicated to all key actors throughout the system
  - co-operation elicited from key actors
  - training packages for ministry staff, provider agencies and purchasers

- o Development of a monitoring and evaluation system

- o Review implementation with respect to homemaker services on Indian Reserves

- o Development of standards and guidelines for HNS and IHP programs.

VII. COMPENDIUM OF RECOMMENDATIONS

TRAINING RECOMMENDATIONS

1. *THAT THERE BE A PHASED-IN REQUIREMENT FOR ALL HOMEMAKERS TO BE TRAINED AT THE HOME SUPPORT LEVEL II OR AN EQUIVALENT TO BE DEFINED BY THE TASK FORCE ON TRAINING.*

2. *THAT WHILE BEING TRAINED, HOMEMAKERS RECEIVE THEIR REGULAR HOURLY WAGE FOR THE HOURS THEY SPEND IN TRAINING.*

3. *THAT A TIME-LIMITED TASK FORCE BE ESTABLISHED TO:*

   i. *DEVELOP A PLAN TO IMPLEMENT THE TRAINING REQUIREMENT;*

   ii. *DEVELOP A PROCESS TO ENSURE ACCESS TO TRAINING FOR ALL PROVIDERS OF GOVERNMENT FUNDED HOMEMAKING;*

   iii. *REVIEW THE GUIDELINES, STANDARDS AND CONTENT OF HOMEMAKER TRAINING COURSES, PARTICULARLY IN RELATION TO TRAINING FOR SIMILAR OCCUPATIONS;*

   iv. *DETERMINE WHAT TRAINING QUALIFICATIONS OR EQUIVALENCIES AND LEVELS OF EXPERIENCE WILL BE ACCEPTED TO MEET THE TRAINING REQUIREMENT;*

   v. *REVIEW THE IMPLICATIONS OF INDIGENOUS AND REMOTE WORKERS AND CULTURAL UNIQUENESS WITH RESPECT TO TRAINING EQUIVALENCIES, DELIVERY OF TRAINING, STANDARDS AND MATERIALS USED IN TRAINING;*

   vi. *RECOMMEND ANY RELATED CHANGES TO THE REGULATIONS TO THE HOMEMAKERS AND NURSES SERVICES ACT;*

vii. *DEVELOP AN APPLICATION TO THE FEDERAL GOVERNMENT FOR TRANSITIONAL FUNDING TO ALLOW ALL EXISTING HOMEMAKERS TO MEET THE TRAINING REQUIREMENT;*

viii. *EXPLORE POTENTIAL LINKAGES BETWEEN TRAINING AND CURRENT EMPLOYMENT INITIATIVE PROGRAMS;*

ix. *REVIEW THE ROLE OF CURRENT AND ALTERNATIVE EDUCATIONAL TRAINING MODES SUCH AS DISTANCE EDUCATION, VOCATIONAL SCHOOLS, SECONDARY SCHOOL CO-OP PROGRAMS, ETC.;*

x. *DEVELOP A MULTI-YEAR PLAN TO MOVE HOMEMAKER TRAINING FROM BEING PRIMARILY GOVERNMENT SUBSIDIZED TO FEE-PAYING;*

xi. *REVIEW THE IMPLICATIONS OF CERTIFYING HOMEMAKER TRAINING;*

xii. *BE RESPONSIBLE FOR A ONE-YEAR FOLLOW-UP REVIEW OF THE TRAINING PROCESSES ADOPTED.*

4. *THAT BASIC TRAINING COSTS BE INCLUDED IN THE HOMEMAKER AGENCY RATE STRUCTURE TO ENSURE THAT ALL PURCHASERS OF HOMEMAKER SERVICES SHARE IN TRAINING COSTS.*

5. *THAT TRAINING AND BUDGET REQUIREMENTS ACCOMPANY EACH ANNUAL SERVICE PROPOSAL (REF. RATE SETTING RECOMMENDATION #7).*

6. *THAT STRATEGIES FOR CONTROLLING HIGH STAFF TURNOVER BE IMPLEMENTED IN ORDER TO REDUCE THE UNUSUAL NEED FOR TRAINING (REF. WAGES RECOMMENDATIONS).*

7. *THAT MCSS CONTINUE TO PROVIDE SUPPLEMENTAL GRANTS FROM ITS AREA OFFICES IN ORDER THAT TRAINING BE AVAILABLE IN SUFFICIENT QUANTITIES. THE MINISTRY OF HEALTH SHOULD REIMBURSE MCSS FOR A SHARE OF THESE GRANTS.*

WAGE RECOMMENDATIONS

1. *THAT THERE BE AN INITIAL BASE WAGE SET FOR THE HOMEMAKER OCCUPATION THAT WOULD SERVE AS A MINIMUM STANDARD BELOW WHICH PUBLICLY SUBSIDIZED HOMEMAKERS CANNOT BE PAID.*

2. *THAT THIS INITIAL BASE WAGE BE SET AT $7.00 PER HOUR PLUS AGENCY SCALE, 20% BENEFITS AND REGIONAL VARIATIONS FOR ALL PROGRAMS AUTHORIZED UNDER THE HOMEMAKERS AND NURSES SERVICES ACT AND SUPPORTED BY PROVINCIAL GOVERNMENT FUNDING. THIS REPRESENTS THE ASSESSED VALUE OF THE ENTRY LEVEL HOMEMAKER JOB AS OF JUNE 1987.*

3. *THAT FOLLOWING THE INITIAL YEAR, HOMEMAKER WAGES AND BENEFITS BE DEFINED ANNUALLY AS A PROPORTION OF THE HOMEMAKER AGENCY RATE (REF. RATE SETTING RECOMMENDATION #II).*

4. *THAT HOMEMAKERS RECEIVE EMPLOYEE BENEFITS EQUAL TO AT LEAST 20% OF THEIR WAGES. BENEFITS PACKAGES ABOVE THE STATUTORY MINIMUM ARE TO BE SET BY INDIVIDUAL AGENCY POLICY.*

5. *THAT HOMEMAKING AGENCIES BE ENCOURAGED TO OFFER THEIR STAFF FULL-TIME HOURS WHERE FEASIBLE. CASE SCHEDULING NEEDS TO BE REVIEWED TO BETTER ALLOW FOR THIS TO OCCUR.*

6. *THAT THE ONTARIO ASSOCIATION OF VISITING HOMEMAKER SERVICES (OAVHS) RECEIVE A ONE TIME GRANT FROM MCSS WITH WHICH TO SET UP A DATA BASE ON HOMEMAKER WAGES IN ORDER TO PREPARE ANNUAL PROPOSALS FOR WAGE ADJUSTMENTS TO BE USED IN THE RATE NEGOTIATION PROCESS. ONGOING FUNDING FOR THIS WILL COME FROM THE CONTRIBUTIONS TO ASSOCIATIONS ALLOWED IN THE RATE STRUCTURE.*

7. *THAT A JOINT MINISTERIAL COMMITTEE MEET WITH THE OAVHS ANNUALLY TO REVIEW THE WAGE PROPOSAL AND DOCUMENTATION.*

8. *THAT ADJUSTMENTS TO HOMEMAKER WAGES NOT BE RESTRICTED BY GOVERNMENT RESTRAINT CEILINGS FOR THE NEXT FIVE YEARS IN ORDER TO ALLOW THE WAGES TO STABILIZE AND RESPOND TO MARKET FORCES. THAT ALLOCATIONS TO THE MINISTRIES TAKE THIS INTO ACCOUNT.*

9. *THAT THE EMPLOYMENT STANDARDS EXEMPTION BE REMOVED FOR HOMEMAKERS TO GIVE THEM MINIMUM WAGE PROTECTION AFTER TWELVE HOURS, MAXIMUM WORKING HOURS PROTECTION AND OVERTIME PAY.*

10. *THAT THE TITLE OF THE HOMEMAKER JOB BE CHANGED TO INCREASE THE ATTRACTIVENESS OF THE OCCUPATION AND TAKE INTO CONSIDERATION ALL IN-HOME SERVICE WORKERS.*

RATE SETTING PROCESS RECOMMENDATIONS

1. *THAT AN ONGOING JOINT MINISTERIAL COMMITTEE BE ESTABLISHED AT THE CORPORATE LEVEL WITH THE RESPONSIBILITY OF:*

    i. *MEETING ANNUALLY WITH THE OAVHS TO REVIEW THE ASSOCIATION'S HOMEMAKER WAGE ADJUSTMENT PROPOSAL AND DOCUMENTATION (REF. WAGE RECOMMENDATION #6);*

    ii. *SETTING RATE STRUCTURE GUIDELINES TO BE USED IN LOCAL RATE NEGOTIATIONS WITH INPUT FROM ASSOCIATIONS REPRESENTING PURCHASERS AND PROVIDERS;*

    iii. *MONITORING THE FINAL APPROVED RATES FOR OVERALL CONSISTENCY AND ADEQUACY OF FUNDING;*

    iv. *MONITORING AND EVALUATING THE SUCCESS OF THE RATE STRUCTURE AND RATE SETTING PROCESS IN MAINTAINING A VIABLE HOMEMAKER INDUSTRY.*

2. *THAT MCSS AREA OFFICES BE RESPONSIBLE FOR CO-ORDINATING LOCAL FUNCTIONS AND NEGOTIATING THE RATE.*

3. *THAT LOCAL ADMINISTERING BODIES (E.G., HOME CARES, MUNICIPALITIES, LOCAL AUTHORITIES AND INDIAN BANDS) BE INVITED ON AN ANNUAL BASIS TO PROVIDE INPUT TO THE LOCAL RATE NEGOTIATION PROCESS.*

4. *THAT THE RATE BE NEGOTIATED ANNUALLY BETWEEN THE MCSS AREA OFFICE AND THE MAJOR NOT-FOR-PROFIT HOMEMAKER AGENCY. THE PROVIDER WILL SUBMIT A RATE PROPOSAL WHICH FOLLOWS PROVINCIAL GUIDELINES DEVELOPED BY THE JOINT MINISTERIAL COMMITTEE. WHERE LOCAL ADMINISTERING AGENCIES DIRECTLY EMPLOY HOMEMAKERS, THEY WILL FOLLOW THE SAME PROVINCIAL GUIDELINES.*

5. *THAT ALL HOMEMAKER PROGRAMS SUPPORTED BY PROVINCIAL FUNDS MUST FOLLOW A SINGLE LOCAL RATE APPROVED BY THE MCSS AREA OFFICE AND THE MINISTRY OF HEALTH HOME CARE CO-ORDINATOR.*

6. *THAT A STRATEGY BE DEVELOPED TO MAXIMIZE THE USE OF EXISTING FUNDING WHERE DEFICITS/SURPLUSES OCCUR IN NOT-FOR-PROFIT AGENCIES. WITHIN THIS FRAMEWORK THERE SHOULD BE RECOGNITION OF GOOD MANAGEMENT AND A DISINCENTIVE TO DEVELOP DEFICITS.*

7. *THAT THE ACTUAL PURCHASE OF SERVICE BE BASED ON AN ANNUAL SERVICE CONTRACTING PROCESS USING THE LOCAL APPROVED RATE. MAJOR PURCHASERS WILL HAVE ONE YEAR CONTRACTS WITH ONE OR MORE SERVICE PROVIDERS. SERVICE PROPOSALS WILL FOLLOW PROVINCIAL GUIDELINES WHICH WILL FOCUS ON QUALITY OF SERVICE ISSUES. THEY WILL ALSO INCLUDE FINANCIAL STATEMENTS FOR THE PRECEDING YEAR AND A TRAINING PLAN ACCOMPANIED BY A BUDGET.*

RATE STRUCTURE RECOMMENDATIONS

1. *THAT THE RATE PAID TO ALL HOMEMAKER PROVIDERS BE AN INCLUSIVE ONE THAT COVERS THE COSTS OF DELIVERING SERVICE: HOMEMAKER RECRUITMENT; HOMEMAKER TRAINING (IN-SERVICE AND HOME SUPPORT LEVELS I, II, III); HOMEMAKER WAGES AND BENEFITS; SUPERVISION AND COORDINATION OF HOMEMAKERS INCLUDING STAFF SALARIES, BENEFITS AND MILEAGE; ADMINISTRATION OF THE PROGRAM; OVERHEAD COSTS; CORPORATE/ASSOCIATION CONTRIBUTIONS AND PROFIT.*

2. *THAT THE SUPERVISOR TO HOMEMAKER RATIO REFLECTED IN THE RATE STRUCTURE BE SET AT AN INTERIM MAXIMUM OF 1:15 FULL-TIME EQUIVALENTS.*

3. *THAT THE ACTUAL COSTS OF A HOMEMAKER'S TRAVEL TIME AND TRANSPORTATION BETWEEN CASES BE CHARGED TO THE PURCHASER OF SERVICE.*

4. *THAT A SINGLE AGENCY RATE BE ADOPTED WHICH IS SUFFICIENT TO COVER THE FULL RANGE OF SERVICES OFFERED AS WELL AS HOMEMAKER WAGES.*

APPENDIX I

TERMS OF REFERENCE
INTERMINISTERIAL COMMITTEE ON VISITING HOMEMAKER SERVICES

Community And Homemaker Programs Unit
Elderly Services Branch
February 16, 1987

TERMS OF REFERENCE
INTERMINISTERIAL COMMITTEE ON VISITING HOMEMAKER SERVICES

Purpose of the Committee:

To ensure the ongoing viability of the not-for-profit Visiting Homemaker Services system.

The survival and expansion of the not-for-profit sector is an important component of the Government's commitment to improve community-based services to elderly and disabled persons. These agencies have traditionally formed a partnership with the Government in the provision of services and have given leadership in standards and quality. Commercial agencies have recently expanded into this market in response to new government funding. While these agencies may benefit from changes in the not-for-profit sector, they are not the primary focus of the Committee's attention. However, a consultation process involving commercial agencies is built into the Committee's workplan.

Issue:

Rate Setting Process	Rate Structure	Low Wages	Training Programs and Resources
Background:			
o the major purchaser of service (i.e., MOH) has no involvement in the negotiation and approval process; MCSS (second largest purchaser) approves rates but does not normally negotiate them; municipalities usually negotiate rates whether or not they use homemaker services extensively	o it is unclear to MCSS what costs, other than homemaker wages, the rate is supposed to cover, for example: - administration - travel time - transportation costs - supervisory staff - homemaker benefits	o as a result of low rates, wages have been depressed to the point where about 60% of homemakers earn less than $5.00 per hour	o traditional (NTA) training support from the federal government is being withdrawn as of April 1/87
o MCSS ceilings have served to restrict meaningful negotiation and rate growth	o the wage portion of the rate is not protected from encroachment by other costs	o extremely low wages have resulted in not-for-profit providers having high staff turnover and problems recruiting staff	o standards for courses offered through community colleges need to be reviewed
o there is a wide variation in rates across the province ranging from $3.64 to $10.58 per hour of purchased service (1985 rates)	o variations in rates do not necessarily reflect actual regional differences.	o many homemakers trained with government dollars quickly move to other jobs which pay better wages, eg., nursing homes, food services and hotel industries	o there is a lack of provincial guidelines outlining the type and amount of training required o training is funded from the HNSA service line thus creating a potential conflict in priorities

Rate Setting Process	Rate Structure	Low Wages	Training Programs and Resources
Background cont'd:			
o there is no flexibility to allow for unanticipated financial problems such as the recent increase in the minimum wage and increased WCB premiums		o quality of service provided is jeopardized because of the agencies' inability to attract and keep good staff	o an increased demand for training dollars is anticipated as the Integrated Homemaker Program is implemented
o typical delays in rate negotiations and approvals create cash flow problems in Red Cross branches, negatively affecting their relationships with employees (delayed wage increases) and with purchasers		o high staff turnover results in higher administrative costs	o there is a need for training courses to reflect changes in both clients and trainees.
o the municipality may negotiate a rate with a not-for-profit agency but actually purchase service from another provider (e.g., a for-profit agency) usually at a lower rate		o an inordinate amount of supervisors' time is being spent on hiring and training new staff.	
o rate negotiators, service providers and purchasers have differing boundaries resulting in operational inefficiencies and anomalies where rates differ (over 250 different rates exist in Ontario).		o conditions of employment in addition to low wages have contributed to the shortage of available trained homemakers.	

MCSS Short-term Strategies:

- o finalizing some 1986 rates including revisions reflecting WCB and minimum wage impact.
- o issuing a one-time-only grant to the OAVHS to assist in eliminating agency operating deficits forecast to March 31/87. These deficits have accrued through provision of service to MCSS, MOH, municipal and private pay clients.
- o reviewing further rate revisions that the Ministry will be seeking municipal concurrence on in 1987-88.

Rate Setting Process	Rate Structure	Low Wages	Training Programs and Resources
Committee Objectives: o To determine whether an hourly purchase of service is the most appropriate funding mechanism. o To establish a rate negotiation and approval process that: (i) allows proportionate involvement of funders of homemaker services (ii) provides province-wide rate consistency (not necessarily uniformity) (iii) encourages competition based on flexibility and quality of service provision rather than rates (iv) provides stability and security against external financial pressures (v) provides approved rates in a timely fashion.	o To develop a rate structure that: (i) reflects the costs associated with delivery of homemaker services (ii) specifies the expectation of the purchaser as to what is covered by the rate (iii) systematically reflects regional differences.	o To assess fair compensation for homemakers. o To develop a strategy for implementing and maintaining a fair homemaker wage.	o To identify and retain relevant training resources for both the short- and long-term. o To review and revise training guidelines and standards. o To investigate alternate educational training modes. o To define what is meant by "trained homemaker".

Considerations/Constraints:

- o There is an overall urgency to resolve homemaker issues and implement changes as soon as possible, consistent with the achievement of government objectives.
- o MCSS is engaging in short-term strategies on homemaker issues as outlined on page 2. In the long-term, MCSS will be attempting to rationalize all community-based services. This process will include a review of Homemaker/Home Help/Attendant and Respite Care issues.
- o The impact of the Committee's recommendations on the for-profit sector should be reviewed prior to their finalization.
- o Credibility with the key parties involved must be established and maintained.

Rate Setting Process/Rate Structure	Low Wages	Training Programs and Resources
Method:		
Sub-committee to be formed, with Committee and Advisory Group participation, to work with a consultant on rate setting and rate structure issues.	Sub-committee to be formed, with Committee and Advisory Group participation, to work with a consultant on the low wages issue.	Working group to be formed, with Committee and Advisory Group participation to address training issues.
Outcome Expected:		
A sub-committee report detailing recommendations for a new rate setting process and a rate structure.	A sub-committee report outlining a recommended strategy for implementing and maintaining fair compensation for homemakers.	Short-term actions to obtain training resources. A working group report with a recommended plan for: reviewing and revising training guidelines and standards; developing alternate training modes; and, defining "trained homemaker".

Overall Outcome Expected:

Report of the Interministerial Committee recommending:

- o an appropriate rate negotiation and approval process;
- o a developed rate structure;
- o a strategy for implementing and maintaining fair compensation for homemakers; and
- o an ongoing strategy for retaining homemaker training resources and a plan for future training developments.

Phases and Time Frames:

January 8, 1987	-	Interministerial Committee and Advisory Group to jointly discuss the issues and objectives to be addressed by the Committee.
January 23, 1987	-	Training working group to develop short-term action plan (further meetings to be determined by workplan).
February 13, 1987	-	Interministerial Committee and Advisory Group to jointly review Committee Terms of Reference.
Feb. - March, 1987	-	Sub-committees to finalize terms of reference for hiring consultants.
March, 1987	-	Sub-committees to interview and hire consultants.
April, 1987	-	Sub-committees to approve consultants' design reports.
June, 1987	-	Sub-committees to review and approve consultants' reports.
July, 1987	-	Interministerial Committee to receive and review all sub-committee and working group reports and examine implications for commercial agencies.
August, 1987	-	Interministerial Committee recommendations drawn-up and submitted for comment to the Advisory Group.
September, 1987	-	Final recommendations submitted for senior MCSS approval.
Fall, 1987	-	Implementation of approved recommendations.

Staff Resources:

Manager (Interministerial Committee & Advisory Group Chair)
Policy Analyst (Committee Co-ordinator)
Senior Policy Analyst
Support Staff
Consultant for rate setting and rate structure project
Consultant for low wages project

Other MCSS Participation on Committee:

Operational Co-ordination
Financial Planning and Corporate Analysis
Human Resources
Legal Services
Area Office

Interministerial Participation:

Ministry of Health
Ministry of Skills Development
Ministry of Colleges and Universities
Office for Senior Citizens' Affairs

Advisory Group Participation:

Canadian Red Cross, Ontario Division
Ontario Association of Visiting Homemaker Services
Ontario Association of Home Care Associates
Ontario Municipal Social Services Association

Financial Requirements/Implications:

Committee Costs:	Meetings -	$ 4,000
	Travel -	1,500
	Report reproduction -	1,000
	Consultants' fees and expenses (2) -	50,000
	Total	**$56,500**

Future Implications:

Increased expenditures to MCSS, MOH and the municipalities are to be expected due to higher rates and training costs. At the same time, it is expected that proportionate increases in revenue would be forthcoming under CAP due to the enhanced viability of the not-for-profit sector.